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Editorial

A NEW ECONOMIC CRISIS IS COMING

After the Covid pandemic, at the beginning of 2022, economic expectations in Panama and in the world seemed to indicate that an economic recovery was finally and gradually approaching. The foundations of this recovery were based on the gradual recovery of presence in work environments, retail trade, gastronomic activities and public shows, as well as domestic tourism and the resumption of international flights.

This environment, in turn, increased consumer confidence to approach the banking and financial system, whether to acquire a new or second-hand vehicle, investigate a loan to start digital commerce, install the conditions to create product offers and reactivate the activity agro-industrial, logistics and even the production of educational offers at different levels, including specialized technology centers.

While this was happening on the bright side of the world

economy, the United States warned of the existence of a mobilization of Russian troops very close to Ukraine and foreshadowed a military invasion of this country.

Simultaneously in the Indo-Pacific area, the People's Republic of China was carrying out military exercises very close to the island of Taiwan that will have repercussions in countries such as the United States, Japan, Australia, and Great Britain.

This atmosphere of hostilities was also being fueled by skirmishes by the North Korean government through ballistic missile tests threatening South Korea, and the United States itself.

February 24 arrived, and omens came true with a brutal aftermath that has had us in suspense for more than three months, and which has meant the destruction of a large part of Ukraine, thousands of deaths, a diaspora to Western Europe of millions of citizens including children

who have been left homeless and without a future.

Bearing in mind that both Russia and Ukraine have natural resources that have a great impact on the Western world, such as oil, gas, fertilizers, food, rise in prices that has not been long in coming, but has had a global impact and therefore both the great powers that are located in Asia, Europe and North America have had to rearrange their production processes, and have been affected by different types of supplies.

In the mentioned regions, however, the welfare state they enjoy has alleviated this incremental effect of goods and services, and therefore the crisis is still manageable.

For other regions such as Africa, some of Southeast Asia, Latin America, the economic situation is already becoming precarious.

Fortunately, the armed conflict has not yet activated the arsenal of nuclear weapons, but there does not seem to be at this time a diplomatic strategy that can prevent the destructive advance of conventional military forces.

Although it is true that, with the exception of Russia, no nuclear power has intervened directly in the conflict, there is great political tension because the United States has entered into a verbal confrontation that means an absence of dialogue with equivalent powers such as Russia and the People's Republic of China.

In the case of Europe, the most representative countries in NATO such as Germany, France, Italy, Great Britain, and others of a lower level have questioned whether to support Ukraine economically, give it humanitarian aid and arms, but they have not agreed. actively involved in the war, to avoid a more serious situation. However, other countries such as Finland and Sweden, feel threatened by their proximity to Russia, have joined at the request of Ukraine to be part of NATO, and thus tensions remain at a high level.

It is known that in our country, there has been a spiral in the price of fuel, raw materials, food, costs of daily use products, and consequently the purchasing power of all consumers has decreased. This has immediately slowed down the recovery in employment, which has once again fallen perceptibly.

As if this weren't enough, the confrontational crisis has also coincided with a new wave of the Omicron Virus, and therefore infections have once again increased, which have only been tempered by the previous mass vaccination, which in this case has prevented many deaths.

From the point of view of managing public finances, the National Government has maintained a series of social supports for the most vulnerable classes, but it has not been characterized by a policy of fiscal discipline, and every week new situations of waste arise in what Concerning the use of public money, the state's indebtedness is taken to unrepresentable figures, and only entities such as the Canal Authority seem to have found a niche in the new economy.

The future of the country is uncertain because we depend on many variables that are beyond our control. For example, although it is true that the agricultural sector has been one of the pillars to avoid a famine in the country, now it is faced with costs of fuel, fertilizers, labor, and decreased hearing capacity of consumers that can put an end to your support.

The only natural resource that continues to rise in price is copper, and therefore it is an important source of income for the country. The rational management of natural resources are scarce and the Spartan administration of the economy must characterize the country, and it is an element that requires great leadership.

It is not permissible for the National Government to finance activities that do not generate employment and improve conditions for public and private investment at this time; economic support and subsidies are only admissible if they are aimed at preserving health, the minimum living conditions of the majority of Panamanians, training for employment, and the use of natural and logistical resources that the country can take advantage of to attract foreign direct investment.

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

Invited Writer



THE EFFECTIVENESS OF THE AWARD IN ACCORDANCE WITH THE LAW REGULATING NATIONAL AND INTERNATIONAL COMMERCIAL ARBITRATION IN PANAMA

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Summary: The arbitration institution as a way to resolve disputes is recognized worldwide, with differences depending on the legal system that is applied in each country, however, all agree that the parties that submit their dispute to an arbitration process, regardless of the nature conflict, country, currency, language, or applicable law, seek to result in an arbitration award. The effectiveness of the award is essentially what the parties seek, whether the award is intended to be enforced in the country where it is issued or abroad. For their part, the institutions that administer arbitrations must ensure the proper development of the arbitration process. This study aims to highlight the provisions of the Panamanian Arbitration Law, which refer to the elements that the arbitrator must take into consideration when issuing an arbitration award, so that it is effective.

Abstract: Arbitration as an alternative dispute resolution method is recognized worldwide, with

differences depending on the legal system that is applied in each country. However, all agree that the parties who submit their dispute to an arbitration process, regardless of the nature of the conflict, the country, the currency, the language, or the applicable law, seek for an arbitration award.

The effectiveness of the arbitration award is essentially what the parties seek, whether the arbitration award is intended to be enforced in the country where it is issued or abroad. In this case, the institutions that administer arbitration must ensure the proper conduct of the process.

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Keywords: Award, arbitrator, set aside, execution, arbitral proceeding.

I. GENERAL CONSIDERATIONS OF THE ARBITRATION PROCESS UNTIL ISSUANCE OF THE AWARD.

This analysis of arbitration process focused on management carried out by arbitrator is interesting, since he is the person committed to resolving the dispute that has been entrusted to him, he is the one who must watch over the evolution of the process until issuing a final award, if it were the case. , in accordance with the rules agreed upon by the parties and applying the corresponding substantive regulations, whether it participates together with other arbitrators, in court or as sole arbitrator. Understanding that the final responsibility of the arbitrator is to issue an award in accordance with law or in equity (ex aequo et bono or amicable compounder), the parties and the arbitration institutions also assume a responsibility and it is the duty of all to ensure the achievement of the process. in accordance with the Law.

Thus, it is an indisputable fact that the arbitrator must take control of the process from its beginning until the end of his term, unless he needs to attend to a request for correction or extension of the award, being the only opportunities in which he can act, after of rendering the award. The arbitrator must bear in mind that the award must be a reflection of what was requested in the lawsuit and that its deviation or omission may cause a decision to be issued that is not consistent with the claims or inconsistent, as it is called in the doctrine, or to issue a sentence. pecuniary that exceeds what was requested, leaving the award open to challenge.

The arbitration procedure begins with the presentation of the claim in accordance with the provisions of the applicable law or regulation. Pursuant to article 50 of the Arbitration Law, the facts, disputed points and the object of the claim must be presented in the claim. It is in that document that the facts on which

the request made to the arbitral tribunal is based are clearly reflected, what we know as a claim. It is important to indicate that the law does not impose a form for the presentation of the arbitration claim, for which it is drafted as traditionally required by the code of procedure. In the libel or memorial of demand, the parties are identified (plaintiff - defendant or third party called to the process), clear identification of the attorneys-in-fact, a clear list of the statements or claims that are demanded, the facts that serve as a basis for the claims (determined and listed in figures or by means of adjectives), the amount of the claim, right invoked. In addition to these elements, the parties may present all the documents they consider pertinent or refer to the documents or other evidence that they are going to present.

In most cases, the regulations of the institutions that administer arbitrations establish the requirements that the claim must meet (Art. 23 of the UNCITRAL Model Law) and the response, without including other recommendations that at the time of resolving the dispute are of vitally important, it is perhaps presumed that lawyers should know about them. For its part, the ICC Arbitration Rules list the information that the request for arbitration must contain in a comprehensive and detailed manner. The Convention on the Settlement of Investment Disputes between States and Nationals of other States ("ICSID Convention"), in its article 35, establishes the points that the request for arbitration must contain. The CeCAP Regulation, establishes in article 7, that together with the demand, any means of proof that they intend to use to prove the claim must be indicated. All legislations coincide in requesting the details of the claims, facts, the amount of the claim and the evidence. Indeed, any request made to the court must be clear, taking into account that the award must be in writing and be motivated. The determination of the amount, so that the court must arrive at a sentence, if the intended payment was a sum of money, having clear the amount that is claimed. Law 131 provides in its article 50 the elements that the demand, the answer and the counterclaim must contain.

¹ Código de Procedimiento Civil de la República de Panamá. Edición Actualizada 2018. Sistemas Jurídicos S.A. (SIJUSA)15ª. Edición 2018.

It should be noted the care that the plaintiff must have at the time of determining the claims and the amount of the claim, it is not possible for the Court to recognize unsolicited claims in a timely manner or ex officio. Although the arbitrator has the obligation to resolve each of the claims in a timely manner, the lack of a claim with imprecise claims can confuse the arbitrator at the time of awarding and cause his decision to be challenged due to evident inconsistency.

In this order of ideas, it is pertinent to also indicate the importance that evidentiary issue acquires in the arbitration process, in addition to the aforementioned, since, in matters of evidence, the court is granted the power to exclusively decide on its admission and relevance, which experts on the subject classify as a reinforcement of the powers of the arbitral tribunal, however, it remains in the hands of the parties to use all the necessary means of proof and

permitted by law to prove their case, being clear that burden of proof rests in most cases on the plaintiff.

Taking into consideration what the doctrine establishes in terms of evidence, as a general rule, the following are means of evidence: documents, confession, oath, statement by a party, statement by witnesses, judicial inspection, expert opinions, reports, evidence, scientific means and any other rational means that is not expressly prohibited by law, that do not violate human rights, that are not contrary to morality or public order. The Civil Code in article 1101, is a rule of an adjective nature, in which the evidentiary aspects are regulated and indicates the means of proof that can be used in civil proceedings.

After evacuating the evidence, and presenting the arguments, the conclusion of the process is declared and the decision is issued through an award..

² El artículo 4.3 del Reglamento de la CCI señala lo siguiente: “La solicitud deberá contener la siguiente información: a) el nombre completo, descripción, dirección y otra información de contacto de cada una de las partes; b) el nombre completo, dirección y otra información de contacto de toda persona que represente a la demandante en el arbitraje; c) una descripción de la naturaleza y circunstancias de la controversia que ha dado origen a las demandas y los fundamentos sobre la base de los cuales las demandas han sido formuladas; d) una indicación de las pretensiones, junto con el monto de cualquier demanda cuantificada y, en la medida de lo posible, una estimación del valor monetario de toda otra demanda; e) todo convenio pertinente y, en particular, el acuerdo o los acuerdos de arbitraje; f) cuando las demandas sean formuladas bajo más de un acuerdo de arbitraje, una indicación del acuerdo de arbitraje bajo el cual se formula cada demanda; g) toda indicación pertinente y cualesquiera observaciones o propuestas con relación al número de árbitros y su selección de conformidad con lo dispuesto en los Artículos 12 y 13, así como la designación del árbitro que en ellos se requiera; y h) toda indicación pertinente y cualesquiera observaciones o propuestas con relación a la sede del arbitraje, las normas jurídicas aplicables y el idioma del arbitraje. La demandante podrá presentar con la Solicitud cualquier documento o información que considere apropiado o que pueda contribuir a la resolución eficiente de la controversia ...”. Cámara de Comercio Internacional (CCI), Reglamento de ADR y de Arbitraje CCI, vigente a partir del 1ero de marzo de 2017, p. 11 y 12. Disponible en: <https://iccwbo.org/dispute-resolution-services/arbitration/rules-of-arbitration>.

³ Centro Internacional de Arreglo de Diferencias Relativa a Inversiones (CIADI). Convenio CIADI, Reglamento y Reglas. Art. 36.2. “La solicitud deberá contener los datos referentes al asunto objeto de la diferencia, a la voluntad de las partes y el consentimiento de éstas al arbitraje, de conformidad con las reglas de procedimiento a seguir para iniciar la conciliación y el arbitraje.”

⁴ Artículo 1100 del Código Civil: “Incumbe probar las obligaciones o su extinción al que alega aquellas o éstas. Son ineficaces los pactos por los cuales se invierte o modifica la carga de la prueba. Esta norma no sufre efecto sobre derechos y obligaciones contraídas con antelación a la vigencia de esta ley y que tengan previamente validez.”

⁵ BARSALLO J. Pedro A. “Principios de Derecho Probatorio en el Nuevo Código Judicial”. Estudios Procesales de Jorge Fábrega P., Tomo II, Editorial Jurídica Panameña, Año 1988. p.872.

El nuevo Código Judicial abandona por completo el sistema que estuvo vigente en Panamá de la enumeración taxativa y cerrada de los medios de prueba (“*numerus clausus*”) consagrado en el Artículo 686 del viejo Código Judicial.

II. THE ARBITRATION AWARD

The award can be compared to the sentence issued by a judge of the ordinary jurisdiction and, in effect, it is the resolution that puts an end to the arbitration process. The jurist Clare González - Revilla (2019), points out that the “award is simply a decision - final or partial.”

Important compendiums refer to legal nature of arbitration award, its characteristics, effects, challenge, recognition and enforcement mechanism, but little is said about the elements or issues that must be considered at the time of issuing the award for it to be effective. There is also no rule in the legislation that requires a form or model for the preparation or drafting of the award and its easy understanding and execution. In addition to the provisions of the law regarding the requirements that the award must meet, the regulations of the different arbitration centers have tried to regulate their laws, listing a series of points that the award must contain.

A. FORM AND CONTENT UNDER THE ARBITRATION LAW

Article 60 of Law 131 establishes the form and substance requirements that the award must meet, of which we highlight the following:

- 1. It will be issued in writing and signed by the referee or referees.**
- 2. It must be motivated unless the parties have agreed otherwise or it refers to a transaction raised to an award, in which case the motivation is not required.**
- 3. The date on which the award was issued and the place of arbitration shall be recorded.**

4. The parties will be notified by delivering a copy signed by the arbitrators.

The requirement to issue a written document containing the decision reached by the arbitral tribunal is common to all processes. The award must be signed by the arbitrator or arbitrators that make up the court or by the majority of them, except in cases where one of the arbitrators does not want to sign or issues a dissenting decision. The regulations usually establish the remedies in case an arbitrator cannot sign, empowering the presiding arbitrator to sign the award, having the same value as if it had been signed by all the members of the tribunal. This situation must be justified and remain as a record in the file. When reference is made to the motivation, it is understood that the arbitrator raises all the elements that he considered important during the development of the process, to compare the narrated facts with reality and determine if the evidence provided leads him to a conviction that finally allows him make a decision.

Some arbitration experts consider that the obligation to justify the awards, more than a right, is a duty, because although the parties need to know the basis of the decision, the arbitrators have the duty to comply with this requirement. The award that is issued without having that requirement, can be challenged, arguing the violation of the applicable law..

B. DEADLINE FOR THE AWARD

The presentation of the arguments, whether oral or written, becomes a moment of transcendental importance in the arbitration process, since in accordance with the provisions of the Panamanian Arbitration Law, said presentation serves to specify the term of the arbitration. arbitral tribunal to issue the award and the justification for an extension, taking into account the complexity of the case.

⁶CLARE GONZALEZ-REVILLA, Miguel Ángel. El ABC del Arbitraje Comercial En Panamá, Una Guía Introductoria con Jurisprudencia Panameña Actualizada, 2ª ed. Panamá: SIJUSA, 2019, p.17

⁷GERINONI ROMERO, Pierina Mariela. “La Motivación del Laudo Arbitral”, Arbitraje PUCP, Año 2016, p. 122. Disponible en: <https://docplayer.es/67720147-La-motivacion-del-laudo-arbitral.html> (última visita 4 de noviembre de 2020).

On this issue, Panamanian Law provides that, in international arbitrations, the dispute submitted by the parties to the court must be resolved within the term agreed by the parties, by the arbitration regulations that apply or, failing that, by the arbitral tribunal. Usually, the regulations in force in the arbitration institutions contemplate what is related to the term to award and those who administer the centers, demand compliance with said terms.

Issuing the award after the deadline is known in the doctrine as the non-award or extemporaneous award, a situation that has a negative effect, since the party that considers itself affected by the extemporaneous award could rehearse the challenge, supporting the appeal for annulment. in violation of what was agreed by the parties, or for breach of the provisions of the applicable regulations.

In arbitration legislation of Spain of December 23, 2003, identified as Law 60/2003, the fact of issuing the award outside six-month period was established as grounds for nullity, the law was later reformed by Law 11 /2011, of May 20, it was eliminated as grounds for annulment of the Award, that the arbitration award was issued after term agreed by parties or subsidiary of six months (Art. 37.2), but the rule provides that the affected party , you can file actions against the award for the damages caused by the untimely award. Important comment made by the Spanish arbitrator

Alcántara, when referring to the subject and the effects of the extemporaneous award when the law establishes the time in which it must be dictated.

The Panamanian Arbitration Law, as well as the Arbitration Regulations of the Center for Conciliation and Arbitration of Panama (CeCAP) and the Center for Conflict Resolution (CESCON), set deadlines for issuing the award, so it is considered that non-observance of said requirement may be invoked as grounds to challenge the award, by whoever considers himself affected by the late delivery of the award, by whoever considers himself affected by the delay.

This seen in the light of article 67 of Law 131 of 2013, according to which an award can be annulled if the arbitration procedure has not been adjusted to the Law. Therefore, the arbitrators could be responsible for the damages caused to the parties for a time-barred award. The Fourth Chamber of General Business, in a judgment of October 17, 2008, ruled on the issue.

The UNCITRAL Model Law does not establish a term to issue the award, leaving the arbitral tribunal the freedom to set the term for the award to be delivered, while other regulations such as the Arbitration Regulations of CeCAP, CESCON and the of the International Chamber of Commerce (ICC) of Paris, contain provisions setting deadlines for issuing the arbitration award. The Panamanian Law also establishes what is related to

⁸Art. 55 de la Ley 131 de Arbitraje.

⁹“Tradicionalmente, el plazo para dictar laudo se había considerado como el límite de la potestad de los árbitros. Indudablemente, ésta era una de las máximas ventajas del arbitraje español frente al proceso judicial, a diferencia de una postura internacional mayoritaria en contra del plazo límite (así, en la Arbitration Act 1996 y en la UNCITRAL Model Law, cuya introducción en España destaca hasta la saciedad la Exposición de Motivos de la Ley 60/2003).” ALCANTARA, José María. El Laudo Arbitral fuera del Plazo, 2008. Disponible en: <https://www.legaltoday.com/actualidad-juridica/noticias-de-derecho/el-laudo-arbitral-fuera-de-plazo-2008-07-23/>. (4 de noviembre de 2020).

¹⁰Corte Suprema de Justicia de Panamá, Sala Cuarta de Negocios Generales. Resolución de 17 de octubre de 2008, mediante el cual se resuelve el recurso de anulación contra el laudo arbitral de 25 de mayo de 2007, dictado por el Tribunal de Arbitraje del Centro de Solución de Conflictos (CESCON), de la Cámara Panameña de la Construcción (CAPAC), dentro del proceso arbitral propuesto por PABLO EMILIO CARRASCO BURGOS contra SAINT ANTHONY SCHOOL SOCIEDAD ANÓNIMA (SASSA). [MP Harley James Mitchell Dale.]

the deadlines for issuing an award, in its article 56. Consequently, it is important that the award is issued within the term agreed by the parties, established by law or by the applicable regulations, to avoid its annulment.

III. THE AWARD THAT IS ISSUED COULD BE IN LAW OR IN EQUITY

The parties, when signing the arbitration clause, can agree on the way in which they want the court to issue the decision. Thus, the applicable rule provides that the award that is issued is in law or in equity and that in cases where the form has not been agreed, the award that is issued will be in law.

When it has been determined that the award will be in law, the arbitrator is obliged to substantiate it taking into account the rules that govern the contract or the controversial issue, the omission of this obligation may give rise to the challenge of the award. This clarification seems irrelevant, but there have been cases in which the arbitrator fails to motivate or substantiate the decision, assuming that the norm is known or worse still, pretending to justify his decision in court, contradicting what is required by the parties in the arbitration agreement or the provisions of the law.

On the other hand, the decision in equity is that power that is granted to the arbitrators to issue a decision according to their best knowledge and understanding, without being subject to rules of law to support the

decision. In the decision in equity, the arbitrator issues the decision taking into account those elements, which in his view guarantee justice and as his word indicates, what is equitable without observing the law.

Previously it was indicated that the arbitrator was the one authorized to rule in law and the arbitrators or friendly settlers to rule in fairness, the latter being experts on a certain subject, but this distinction has become obsolete, taking into account that the UNCITRAL Model Law establishes it broadly, as provided in the article of the Arbitration Law, that the award issued by an arbitrator can be in law or ex aequo et bono, an issue that Cárdenas Mejía extensively develops, with an important clarification on the scope that it has judgment in equity in accordance with the law.

IV. TYPES OF AWARDS: PARTIAL, FINAL AND ADDITIONAL

The doctrine refers to the different classes of awards, taking into consideration the subject addressed in them, however, the Panamanian legislation classifies the awards in partial, final and additional awards.

Partial awards are those that are issued during the process, to resolve issues such as jurisdiction, precautionary measures. Partial awards are also issued to resolve certain issues addressed in the process, which help to determine whether or not the process should continue, in those cases where

¹¹El Reglamento del Centro de Conciliación y Arbitraje de Panamá - CeCAP- en su artículo 38 establece que el plazo para dictar el laudo será de dos (2) meses a partir de los alegatos de conclusión, prorrogable por un mes adicional, previa aprobación por la Secretaría General de Arbitraje. Por su parte, el Reglamento del Centro de Solución de Conflictos – CESCO- dispone en el artículo 46, que el laudo se dictará en un plazo de dos (2) meses, prorrogables por igual término, a partir de la presentación de alegatos. El artículo 30 del Reglamento de la Cámara de Comercio Internacional CCI, se dispone: “1. El tribunal arbitral deberá dictar su laudo final en el plazo de seis meses. Dicho plazo comenzará a correr a partir de la fecha de la última firma, del tribunal arbitral o de las partes, en el Acta de Misión o, en el caso previsto en el Artículo 23(3), a partir de la fecha en que la Secretaría notifique al tribunal arbitral la aprobación del Acta de Misión por la Corte. La Corte puede fijar un plazo diferente sobre la base del calendario procesal establecido de conformidad con el Artículo 24(2). 2. La Corte puede, en virtud de solicitud motivada del tribunal arbitral o, si lo estima necesario, de oficio, prorrogar el plazo.”

¹²La decisión ex aequo et bono se refiere a una más alta esfera de justicia, por ello en este caso, el árbitro decide el litigio con su propia noción de justicia. Cuando decide en equidad, el árbitro decide de conformidad con las reglas legales, pero puede apartarse de ellas cuando se produce un resultado contraproducente. Finalmente, cuando actúa como amigable componedor debe decidir conforme a la justicia y observando las reglas fundamentales que gobiernan el proceso judicial y la ley sustantiva. Vid. CÁRDENAS MEJÍA, Juan Pablo. “El Arbitraje en Equidad”, Universitas, Pontificia Universidad Javeriana Colombia, 2003, p. 351.

it is decided to bifurcate the process to determine the responsibility of one of the defendants, partial awards are issued. Then enter to determine the damages and the amount claimed and issue the final award. All these awards, whether they deny the petition or admit it, can be grounds for challenge, regardless of the process that is decided to continue.

In cases where an exception is filed on the court's jurisdiction, the decision issued to declare jurisdiction or not must meet the characteristics of an award, which may be challenged, which could be partial or final, depending on the case. I decide

The award will be final when all the petitions of the lawsuit are resolved, it has the effect of *res judicata* and binding for the parties.

Regarding additional award, it has a different connotation, since it refers to option that parties have to request that points that were requested and not addressed in the arbitration award be resolved, which comes to be very helpful to guarantee with the extension of the award only on the claims made in the arbitration proceedings, but omitted in the award, to avoid a challenge due to the lack of a solution.

The award can be corrected and interpreted, without said request being considered as an opportunity to obtain the revision or modification of the arbitrator's decision.

V. PRINCIPLES GOVERNING THE AWARD

In this section we will analyze the principles that must be guaranteed when issuing the award.

A. COMPLETENESS OR SOLUTION OF THE CLAIMS

In the award, all the claims raised in the lawsuit or in the counterclaim must be resolved, in the arbitration regulations, it is provided that in the Act of Settlement of the Cause or Act of Mission, the claims must be listed, which could vary, only in the event that a correction of the claim is requested and other claims are introduced, always guaranteeing

the counterparty the opportunity to express itself on the new claims, based on the principle of equality.

This obligation to carry out an exhaustive work on the decision that is issued, paying special attention to the controversy raised and the proven facts, with a clear list of the elements taken into account to issue a decision.

B. THE CONSISTENCE OF THE AWARD

This requirement is aimed at guaranteeing that the award is proportionate to what was requested, constituting one of the guarantees that the parties have, to avoid an award that is incongruous or qualified as *ultra*, *extra* or *petita* mines.

a. *Ultra petita*: It is the Latin expression used to refer to cases in which the judge has granted more than what was requested by the party in his claim.

b. *Extra petita*: This expression refers to the case in which the parties are granted something that was not requested with the lawsuit.

c. *Infra petita* or *citra petita*: Contrary to the previous cases, the expression is applied to cases in which it is omitted to pronounce on any of the claims.

Consistency is related to the obligation to prove what is intended, so the sentence must have a clear and extensive justification in the award, mainly in those cases where the quantification of the claim will depend on the accounting expert evidence presented by the parties, which they often contradict each other in the opinion issued, losing the objectivity that the report should have.

The responsibility of the arbitrator is to specify these evidentiary elements when confronted with the claims, with the main objective of guaranteeing the consistency of his decision and avoiding the annulment of the award, by exceeding the limits established in the agreement.

The Fourth Chamber of General Business, the ruling of August 15, 2015 declared an arbitration award null, because there was an excess on the part of the Court, at the time of resolving the claims of the lawsuit, which configure the inconsistency of the award for extra petita.

C. MOTIVATION OR BASIS FOR THE AWARD

In the arbitration process, the same as in the ordinary jurisdiction, the parties claim that the decision made by the arbitrator is duly motivated, which comes to guarantee the effective judicial protection that must prevail in any process. In many laws, such as the Panamanian one, the reasoning of the award is required, but the rule contemplates as an exception the possibility of not motivating the award when the parties have so agreed, which motivates a series of analyzes and considerations. Among the grounds for annulment of the award established by the Panamanian Arbitration Law, lack of motivation is not specifically mentioned; however, recognized jurists

when referring to the subject, are of the opinion that the omission of the motivation is a violation of public order. In this sense, the Peruvian jurist GUZMAN GALINDO considers that we are facing an imperfect norm, since he does not point out the consequences of omitting the motivation in the award, since the Peruvian Law is very similar to the Panamanian Law. Therefore, the omission of the reasoning in the award, as well as the failure to meet the deadline and other requirements of the award, are framed in the grounds for annulment of the awards contained in numerals 4 and 6 of article 67 of the Law of Panama arbitration. In this case, it will have to prove that the actions of the court or the procedure applied did not comply with the agreement between the parties or the Law, or due to the violation of public order, taking into account for this assessment whether the arbitration is national or international, in accordance with articles 2 and 3 of the Arbitration Law. In this sense, the Fourth Chamber of General Business declared the award null and void due

¹³GONZALEZ-SORIA Javier. DELA SANTA Moreno. La Responsabilidad de los árbitros. UNED. Revista de Derecho UNED, No. 17, 2015. p. 945. Disponible en : http://e-spacio.uned.es/fez/eserv/bibliuned:RDUNED-2015-17-5140/Responsabilidades_arbitros.pdf (última visita 19 de noviembre de 2020). La congruencia exigible al laudo se predica de las concretas pretensiones contenidas en los escritos de las partes, y no de las meras alegaciones o argumentaciones aportadas por las mismas en defensa o apoyo de aquellas. La congruencia de las sentencias no exige una correspondencia absolutamente rígida entre lo pedido y lo acordado, sino que también se cumple cuando el fallo, pese a no concordar literalmente con lo pedido, se adecue racionalmente a las pretensiones de las partes y a los hechos que las fundamenten, hasta el punto de ser admisibles pronunciamientos complementarios del juzgador no pedidos por las partes, pero sí encaminados a facilitar la ejecución del fallo o a evitar nuevos pleitos.

¹⁴En este fallo se indicó: “De lo arriba expuesto, se desprende que la Cooperativa en ningún momento solicitó la nulidad del contrato, sino el cumplimiento de lo que se generó de la relación contractual así como la invalidez del finiquito que condonaba parte de lo adeudado por CARNES R.S. S.A., a la Cooperativa y que ellos (la cooperativa), tal como lo plantean en el punto quinto y sexto de su demanda, no reconocen el citado documento, toda vez que al mismo le hacía falta la coordinación requerida en el artículo 63 del Decreto Ejecutivo N°137 de 5 de noviembre de 2001. Del estudio de este planteamiento debemos concluir, que sí existe un exceso por parte del Tribunal Arbitral, toda vez que se observa que las decisiones tomadas por el mismo no son parte de lo solicitado por las partes en el arbitraje, ya que ellos pretendían se resolviera lo concerniente a una suma de dinero que según la COOPERATIVA COOSEMUPAR, era adeudada por la sociedad CARNES R. S. S.A., producto del contrato de compra venta de cajas de banano de 7 de febrero de 2007 y además determinar la legitimidad o no, del finiquito de 2 de julio de 2008, el cual según la Cooperativa, no tenía validez para ellos, porque el mismo no fue coordinado por el interventor de la forma que establece el DECRETO EJECUTIVO N° 137, del 5 de noviembre de 2001, en su Artículo 63 y por ende este no fue incluido en sus libros de contabilidad, sin embargo, la decisión del Tribunal fue anular tanto el Contrato de Compra Venta de Cajas de Banano de 7 de febrero de 2007, como el finiquito de fecha 2 de julio de 2008, en lugar de determinar si el finiquito tenía validez o no, o si le asistía el derecho a la Cooperativa en relación a la deuda que manifestaban, sostenía CARNES R. S. S.A., para con ellos.” Corte Suprema de Justicia, Sala de Negocios Generales. Sentencia que resuelve Recurso de anulación interpuesto por CARNES R.S., contra el laudo arbitral proferido el 28 de N.º diciembre de 2012. [MP Luis Ramón Fábrega].

to the violation of Public Order, considering that the award directly condemned the defendant without having supported the sentence and for the imposition of a monetary sentence if a lift.

VI. RECOMMENDATIONS ON THE DRAFTING AND CONTENT OF THE AWARD

Considering that the award will be final, mandatory and binding for the parties, it is important that it meets the requirements of form and substance that the Law provides, in addition to the requirements established by the regulations of the institution that administers the arbitration process. In this order of ideas, we can mention that the Arbitration Regulations of CeCAP and CESCO specifically indicate what is pertinent

to the content of the award.. The institutions that manage the arbitration process have the responsibility to examine the draft award, before it is signed by the arbitrator, in order to suggest modifications only regarding the issue of form and aimed at achieving the execution and recognition of the award.

It was previously indicated that there is no rule that indicates how the award should be drafted, nor are rules established regarding form, writing, length or presentation, leaving the drafting of the arbitral award at the discretion of the arbitrator. In this regard, there is an interesting document entitled "Drafting of awards in the framework of arbitrations in accordance with the ICC Rules", prepared by Marco Darmon, Humphrey Lloyd, Jean-Pierre Ancel, Lord Dervaird,

¹⁵RANGEL NUÑEZ, Pedro. "La Motivación del Laudo Arbitral", Revista Venezolana de Derecho Mercantil, N° 1, 2018. Disponible en: http://www.ulpiano.org.ve/revistas/bases/artic/texto/RVDM/1/RVDM_2018_1_03.pdf (última visita 19 de noviembre de 2020). Se explica de manera clara que "para algunos países, sobre todo los del área romano-germánica, la exigencia de motivación aparece indisolublemente unida a una concepción del orden público enraizada en posicionamientos tradicionales que basan la explicación del fallo en una necesidad insoslayable para la correcta administración de justicia, y fruto de una concepción global de la misión jurisdiccional de los jueces, una sentencia no motivada en estos países es una sentencia nula. En otros países, fundamentalmente nucleados en el grupo de la Common Law, no se impone semejante obligación, tanto respecto de las sentencias judiciales como de las arbitrales." Con la recomendación clara sobre la importancia de motivar el laudo.

¹⁶Artículo 60, numeral 2 de la Ley 131 de 2013: "El laudo del tribunal deberá ser motivado, a menos que las partes hayan convenido otra cosa ..."

¹⁷GUZMAN GALINDO, Julio César. La Falta de Motivación del Laudo Como Causal de Anulación en la Ley de Arbitraje Peruana. Sistema de Bibliotecas Centro de Análisis y Resolución de Conflictos. Arbitraje PUCP., 2013, p. 37: "Como se ha expuesto el Artículo 56° de la LA establece la obligación de motivar el laudo, salvo que exista un acuerdo de las partes en contrario, sin embargo, cuando se establecen las causales de anulación del laudo en el Artículo 63° de la misma ley no se hace mención expresa a la falta de motivación como causal de anulación. Entonces, al parecer estamos ante una norma imperfecta, pues si bien se establece la "obligación" motivar el laudo, no se establece la "consecuencia", que viene a ser la anulación del mismo." Disponible en: <http://revistas.pucp.edu.pe/index.php/arbitrajepucp/article/view/9385/9800> (última visita 19 de noviembre de 2020).

¹⁸En el artículo 3 de la Ley de arbitraje se establecen los elementos que se deben tomar para determinar si el arbitraje es internacional, entre los que se pueden indicar, el caso en que las partes al momento de la celebración del contrato tienen su domicilio en estados diferentes o su residencia habitual o cuando el objeto del acuerdo está relacionado con más de un Estado. Mientras que los arbitrajes nacionales, será cuando el arbitraje tiene su sede dentro del territorio de la República, sin que existan otras de las consideraciones que se mencionan en la ley.

¹⁹Corte Suprema de Justicia de Panamá, Sala Cuarta de Negocios Generales. Resolución de 5 de junio de 2010, mediante el cual se resuelve el recurso de anulación contra el laudo arbitral en equidad, fechado 20 de febrero de 2009, en el proceso arbitral seguido por EMPRESAS HOPSA S. A. contra M2 PANAMA INC. [MP Aníbal Salas C.]

²⁰ Información que debe contener el Laudo. Cf. Artículo 39 del Reglamento de CeCAP y Artículo 45 del Reglamento de CESCO, en donde se establece lo relativo al contenido del laudo.

Christoph Liebscher and Herman Verbist, who indicate that the objective of his study is to present some recommendations in relation to the drafting of an award issued within the framework of the ICC Arbitration Rules, with the clear warning that it is not an official document of the ICC Arbitration Commission ICC.

Said document has been cataloged as an excellent contribution and can be used by practitioners of arbitration regardless of the country where the process is developed or the rules that are applied, mainly with regard to the motivation of the award, the way to arrive at the amounts of the sentence, determination of interest, costs and expenses of the process, in general each of the elements that must be considered for the award to be effective.

In general terms and in accordance with the regulations, every award must contain the identification of the parties and their generals, the identification of the arbitrator or arbitrators, the place of arbitration, the date on which it is issued, the languages used, what has been decided regarding the competence, the claims, everything related to the evidence, the legal or equitable grounds used for the decision issued, the decision reached, the costs and, if there is a precautionary measure, a decision must be made on the

decision taken with respect to the measure elements and which arise from the best appreciation of the court.

CONCLUSION

Law 131 of 2013 establishes the formal and substantive requirements that a national or international arbitration award must meet.

The arbitrators, arbitration institutions and the parties in the arbitration process, must ensure that they don't incur in any of the grounds for annulment of the Award. Art. 66 and 67 of Law 131 of 2013, to prevent challenges to the award from prospering.

The award must be issued in accordance with what was agreed by the parties and in accordance with the regulations that govern the process and the Arbitration Law. Likewise, the award must be motivated and the decision drawn up in such a way that it can be executed at the headquarters or in a foreign country.

The arguments that are presented for the denial of the recognition and execution of an international award must be framed in the causes that are indicated in the law, one of them being the violation of the international public order of Panama. *L&E*

²¹DARMON, Marco, LLOYD, Humphrey, ANCEL, Jean-Pierre, DERVAIRD, Lord, LIEBSCHER, Christoph & VERBIST, Herman, Redacción de laudos en el marco de arbitrajes conforme al Reglamento de la CCI [Traducido al español por FLORES RUEDA Cecilia & MCCADDEN M, Carlos.]. Disponible en: <https://www.iccmex.mx/uploads/uploads/arbitraje2015/lineamientos/15-RedacciondelaudosenelmarcodearbitrajesconformealReglamentode-laCCI.pdf>. (última visita 4 de noviembre de 2020)

²²“5.2.2 La extensión destinada a la motivación varía según las circunstancias. Así, al momento de que una jurisdicción estatal tenga que revisar, por ejemplo, en vistas del reconocimiento del laudo o de su anulación, su rol será facilitado si el modelo seguido en la motivación le es familiar. Sin embargo, un laudo no deberá ser redactado con el solo objetivo de complacer a las jurisdicciones estatales y dentro de la perspectiva de su eventual objeción o de su reconocimiento o ejecución. La Corte, al realizar el examen previo del laudo, deseará comprender la lógica de la motivación, a fin de identificar los elementos que fundan verdaderamente la decisión. Si después del examen ésta no está satisfecha sobre este punto, puede considerar tal carencia como una cuestión de forma sometida a su control y rechazar su aprobación (véase el artículo 27).” Id., p. 21.

BOD WEBINAR CHALLENGE IN THE IMPLEMENTATION OF THE DATA PROTECTION LAW ONE YEAR AFTER ITS

O
bjectives:

Address aspects of the data protection law in a theoretical and practical technical way.

Edgar Moreno - Technology
edgar.moreno@rbc.com.pa

Founder of IT Panama data analytics company in Panama (+3 years).

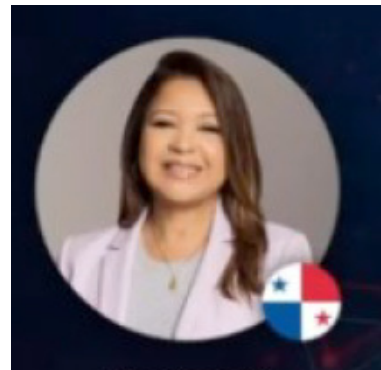


Expertos BDO:

Guillermo Grimaldo

Partner Advisor – Leader of Digital Transformation and Data Analysis.

20 years of data design and implementation, machine learning and data platform.



Simone Mitil

Tax and Legal Lead Partner of the DBO office

Tax advisor in local taxes, international taxes, corporate compliance, transaction taxes, functions and acquisitions and life diligence reviews.



Victor Vera Tudela

Consulting partner S.A.C. from the DBO office in Lima Peru.

Experience in personal data protection advice, compliance with the law, compliance audit during the inspection process, in many sectors.

Background:

Protection of privacy or protection of personal data.

In the 1960s, the first international regulations and advice appeared that began to protect personal life or personal data due to the appearance of information technology.

In May 1967: In Nordic jurists, the protection of private life is advised through specific instruments appropriate to information technologies.

1968: Resolution 68/509/CE Human Rights is born or the new scientific and technical achievements, This European resolution made a small reference on the importance of privacy in relation to the technology of these techniques.

This same year Europe passes to America and in this same year, on December 19, resolution 2450 comes out, which is the need to set limits to the applications of electronics and information systems of this time.

1970: The Consultative Assembly of the Council of Europe through resolution 408 speaks of how to limit the object of compulsory protection against the interference of information technologies. (A more real concern is observed about the information that was collected, kept and protected).

1973: Two resolutions are issued Resolution 73 and Resolution 74 that the Council of Europe ratifies as protection of the private life of natural persons against the private sector and this same resolution against the public sector. (The need to protect this data arises).

1980: The Council of Ministers of Europe signs the agreement 108 that gives rise to what we know as data protection. In this agreement, he spoke of the protection of persons with respect to the automated processing of personal data protection.

2006: The Council of Ministers of Europe creates the International Day of Personal Data Protection.

What happens in Panama?

In 2014 the international day of protection of personal data is celebrated in the bar association.

2016: Public consultation, the draft of the data protection carried out with the AIG and ANTAI with the OEA is presented and the draft of the protection of personal data begins to be discussed.

2017: ANTAI presents the personal data draft to the cabinet council.

2019: The bill reaches the assembly and Law 81

on the personal data protection law is sanctioned (2 years passed).

Today we tell this law based on citizens having tools on the protection of this data.

Legislation on data protection in Panama

Legal Framework and Jurisdiction.



Personal data protection.

It is a fundamental right recognized as an autonomous right of other related rights and is enshrined in our constitution that establishes as the general framework

PRINCIPIOS CONSTITUCIONALES

Artículo 42:

- "Toda persona tiene derecho a acceder a la información personal contenida en bases de datos o registros públicos y privados, y a requerir su rectificación y protección, así como su supresión, de conformidad con lo previsto en la Ley. Esta información solo podrá ser recogida para fines específicos, mediante consentimiento de su titular o por disposición de autoridad competente con fundamento en lo previsto en la Ley."

Artículo 44:

- "Toda persona podrá promover acción de hábeas data con miras a garantizar el derecho de acceso a su información personal recabada en bancos de datos o registros oficiales o particulares, cuando estos últimos traten de empresas que prestan un servicio público o se dediquen a suministrar información."

of the right within the chapter of fundamental guarantees.

We have general regulatory framework known, which is Law 81 of March 19, 2019.

The other laws have provisions regarding personal data and are generally applied to regulated activities such as banking and public services.

And executive decree.

It is important to mention that it started in 2019, but was given a two-year vacancy law, which expired last year, which began its validity on March 19, 2021.

To which database does this legislation apply?

The last point: that the data processing is within the framework of activities based on the Internet or other digital media that are aimed at the Panamanian market.



Constitutional principles

Law 81 is based on guidelines such as:

1. **Obdec Guidelines of 1981.**
2. **The principles of data protection for Ibero-America of the OAS 1996.**
3. **The European data protection regulation of 2016.**
4. **Data protection standards for the Ibero-American states of 2017.**

Recently, the administration's attorney issued an opinion that the national public ministry authority (ASEP) is legally empowered by Law 81 of 2019 to process complaints or reports by people who are affected in terms of their personal information by companies that They provide public service.

Decree 285: Its purpose is to regulate the provisions that regulate the general regime of data protection.

Exceptions

Other laws

Anonymization

Process that personal data is separated from the identifiers of the people to whom they belong, allowing information to be shared without the ability to identify a person.

Important definitions

- **Personal Data:** information of a natural person that identifies them or makes them unidentifiable. Example: age, sex, mail, telephone number, identity card, monthly income.

- **Sensitive data:** this is data that can generate discrimination or other risks to the person. Example: Political data, racial data, beliefs, philosophical, union affiliation, health data, sexual preference or orientation, genetic or biometric data. And they must follow the basic principles, for the handling and transfers of data

- **Owner of the data:** Person who refers to the data. Deceased persons must be seen with the civil code. Minor person: treatment with special attention to the best interests of the minor in accordance with the law and international treaties.

- **Responsible for data processing:** Is a natural or legal person, corresponds to the decisions of the data, determines its average purposes and scope

- **Database:** Ordered set of data that allows the relationship between each other, treatment and transmission.

- **Control Authority:** In the case of Panama, it is the ANTAI (National Authority for Transparency and Access to Information).

- **Data processing:** Any operation that allows collecting, storing, recording, selecting, communicating, assigning, etc. Data in any form.

When the data can be processed:

- The owner's consent is obtained.

- Treatment is necessary for the execution of a contractual obligation.

- Treatment is necessary for the fulfillment of a legal obligation.

- Treatment authorized by a special law.

Estos derechos no pueden ser limitados mediante acuerdo y en cuyo caso dicho acuerdo se declarará nulo.

- ▶ El titular de los datos personales puede solicitar su información a los responsables del tratamiento de datos.
- ▶ El responsable del tratamiento de los datos debe proporcionar la misma en un plazo no mayor de 10 días hábiles.
- ▶ El suministro de información, su modificación, bloqueo o eliminación será gratuito.

Los datos deberán ser modificados cuando sean erróneos, inexactos, equivocados o incompletos.

- ▶ El responsable del tratamiento de datos tiene un plazo de 5 días hábiles siguientes a la solicitud de modificación.

Si el responsable no se pronuncia sobre la solicitud del titular dentro del término, el titular puede recurrir a la Autoridad Nacional de Transparencia y Acceso a la Información (ANTAI).

Principles of Data Processing

1. Principle of loyalty. The data is collected without deception, falsehood or fraudulent methods.

2. Purpose. Used for specific purposes, and is defined by how long they can be kept. Once the treatment has been completed, the data must be deleted or anonymized.

3. Proportionality. Request only the necessary data.

4. Truth and accuracy. Exact data and veracity of these data and up to date.

5. Data security. Adopt measures to guarantee the security of the data, and inform the owner when a breach occurs.

6. Transparency. Simple and clear language for users and their data.

7. Confidentiality. All those who handle the data must comply with the confidentiality of the data and the company.

8. Legality. The data is collected in a lawful manner, with prior, informed consent or legal training.

9. Portability. The owner can obtain their data in a general and generic way for their mobility.

Rights of data owners

1. Access. Obtain, know the origin, purpose of the data.

2. Rectification. Request data correction.

3. Cancellation. Elimination of data and they are not correct, irrelevant, out of date.

4. Opposition. It allows you to refuse to provide your data with well-founded reasons. Or revoke a given consent.

5. Portability. Obtain a copy of data in a clear, generic and legible way.

IMPORTANT TO MENTION

The law and the regulations gave 9 months to everyone, and this information is not available in ANTAI, on the page they exist in ANTAI, and currently there is no formal method for the delivery of formalization.

<https://www.antai.gob.pa/talleres-de-sensibilizacion-sobre-la-ley-81-de-proteccion-de-datos-personales/>

Security of personal data



It is based on compliance with the 5 principle of the law.

1. The main point on the agenda for government and private companies should be data security, and it should be understood how important the data security system is and the gaps it may have.

2. It is important to have good cybersecurity systems and be ready to face them.

3. Recommendations.

a. Secure remote connections.

b. Encrypt the information.

i. Encrypt and have processes to encrypt and decrypt this information.

c. Make staff aware of the importance of cybersecurity and its risks.

i. Create policies and training for staff.

There will always be gaps, but you must find a way to mitigate it.

Establish methodologies and processes:

Victor Vera's experience.

Infringements and sanctions.

Three types of offenses:

- Minor: failure to submit information to the authority within the due time.

- Serious: handling information without people's consent.

- Very serious: not suspending the relationship of personal data when the authority informed that it should be done.

Experience in the claim process

- The user claims to the company, to change, delete or request the information, if it is not fulfilled then the user goes to the regulatory company or authority.

Impacts

- Impacts on the reputational image: by not showing it, customer confidence is lost.

- Economic impacts: it can become important and will depend on the sanction.

- Impact on the core of the business: this is stronger than it can have is the disqualification or closure.

How to successfully implement?

Let's see errors first

1- Low commitment from top management.

a. Senior management must be engaged.

2- Not adopting risk prevention behavior in data protection.

a. The risk management that is carried out in the general cybersecurity study of the company, must involve the personal risk management of personal data in the risks.

3- Not identifying all types of treatment of the

organization.

a. You must know how to know and have governance of the data and what is done with them, to establish fidelity consent clauses and the treatments.

4- Consider the rule only as a legal aspect.

a. There are organizational processes, technical processes, and other specialties that must be considered.

5- Investment in technologies without a compliance diagnosis.

a. Don't implement technology without knowing how they handle data consents.

6- Continue to adopt tactics that violate the privacy of the person.

a. Have clauses, privacy notices, cookie notices, personal data policies, human resources processes.

What do we do?

1. Report personal databases to the authority.

a. Report all the data I collect, both digital and physical.

b. What information do I tell and what personal data information to use.

2. Security measures for the protection of personal data.

a. To consider:

i. Results of analysis of risks, threats and vulnerabilities.

ii. Nature of data.

iii. History of destruction of personal data, loss,

disclosure.

Roadmap (implementation process steps)

1. Compliance Diagnostics:

a. Identify gaps, know the data and where, and the controls to protect it, with this demonstrates data governance.

2. Design and execution of remediation plan.

a. Once gaps are identified, a plan is created to close them. Documenting and creating what commitments will be made and the clauses.

3. Monitoring and management.

a. Monitor and see gaps that need to be filled.

4. Compliance audit.

a. Check that everything is done. And a report can be created.

Main challenges in the protection of personal data

- Take protection as a competitive advantage

- Secure interaction with customers and suppliers.

o Notify customers in the event that information is saved in the cloud and show its protection.

- Personal data protection culture.

o In the collaborators.

- Privacy by default design.

o Incorporate protection into future projects and designs.

- Technology age privacy.
- o Update to new technologies and protection.
- Expert and qualified leader.
- o Have an information security officer.
- Life cycle of personal data.
- o Have the process of life of this data.
- Promotion of continuous improvement of protection.
- o Always review new processes and data and make sure everyone is compliant.
- Security measures defined on historical information.
- o Historical information measures for statistics, data update campaigns and consents to minimize the risk of sanctions.
- Protocol for attention to the rights of people.
- o The owners (individuals) must know the rights they have before going to the authority to place the claims, implying that they dialogue with us first and we will attend to their complaints.

Key elements to consider during the examination processes

These are recommended practices when receiving an inspection or complaint about the information to minimize the risk of sanction:

- 1- Assign the person in charge according to their competence to accompany the authority.**
 - a. Management.**
 - b. Computing.**

c. Lawyer who knows about the subject (if he does not give authorization, he has them review in more detail and sanctions are imposed).

2- Attention accompanied by a legal representative.

3- Reliable documentation and not created at the time.

4- Advice from specialists in personal data protection.

5- Appointment of the person responsible for attending to the authority during the inspection process, not to argue without not knowing the law, it is better to inform with foundation.

Questions and answers

1. Is there any legal protection for the data of legal entities?

- o Subject of international controversy.
- o The data of legal persons at this time there is no exclusive protection, legal persons must be supported with legal means, some regulations and criminal codes that speak of protection and privacy and intervention of external media.

2. What are your recommendations to establish direct communication through social networks, while maintaining the data protection law?

- o In relation to social networks it is important to have habits. The website must have privacy policies so that the information on privacy policies can be observed.

3. At the time the regulatory entity consults company about compliance. Will you require standardized documentation or check each system for data compliance?

o According to the existing regulation there are no existing measures, there is more talk of self-regulation in which each responsible company can self-regulate and comply with certain ANTAI parameters.

o Answering the question: The person in charge of the treatment can choose the way that he can present it in a clear, accessible, electronic or device way. But in the future, ANTAI may establish some standardization.

o As an experience in other countries, an ex officio audit is given, browsing social networks or the web page where you send a tax document, then a more physical inspection of the company is carried out, requesting more information.

4. In your experience, in which area should the data protection officer be located or the role?

o Generally in areas of internal compliance, legal or technology.

o Depends a lot on internal politics.

5. Issues about user information in third-party systems, such as Google, bulk mail, bulk mail companies.

o When a service such as the cloud is contracted, there is usually a service contract. Which talks about data protection. also if there is availability you can request a data protection certificate, which being large companies generally have

it which confirms that they comply with data protection.

6. If Law 81 came into force in 2019. The entire protocol must be done to all employees, clients and companies that were in place before the law was established?

o It is recommended that all databases are duly documented

o Review internal protocols regarding the information we hold, and delete information we shouldn't have.

7. Data protection includes internal staff, or this falls under company policy?

o Includes any data processing relationship you have, that is, it includes clients, collaborators, suppliers. For collaborators, you must have a very clear policy on data protection because important information of sensitive data is handled, for payroll management, HR administration. Therefore, the collaborator must be informed what information we handle, for what purpose we handle it and for how long we will handle it. And have your explicit consent to be able to treat the information.

8. Is there a local institution that can certify the provider to cover the knowledge and scope of the data privacy law example for companies that provide external messaging services to companies?

o The BDO (presenters) can help and advise on compliance with the standard. You can validate,

create schedules and how to implement the standard in the company.

9. Does customer information physically in documents such as files fall under this protection? Should access to this information also be improved?

o Remember that we are talking about physical or natural persons.

o Always in the management of customer relations we handle sensitive information and it must be complied with.

o If the information is on paper, physical or virtual, the law must be complied with regardless of how it is stored.*L&E*



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Norms of INTEREST

LIVESTOCK DEVELOPMENT FUND MODIFIED

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Through Law 300 of May 6, 2022, Law 16 of 2018 that created the Livestock Development Fund is modified, which is constituted of the resources that come from the payment of \$2.00 for each animal of the national or imported bovine or buffalo species, slaughtered in all private or municipal cattle slaughterhouses operating in the country.

One of the reforms fell on article 3 regarding distribution of percentages, indicating that the resources of the Livestock Development Fund will be used mainly for:

1. 5% to promote consumption and strengthen the positioning of cattle ranching in the national and international market.

2. 40% for the promotion and compensation of cattle exports.

3. 10% to finance bovine disease prevention, control and eradication programs, carried out by Animal Health, traceability and analysis units, toxic residues and food microbiology.

4. 5% to educate and train producers in farm management, in the use of appropriate technology to improve production and in the practice of resilient livestock.

5. 40% to strengthen the capacities of the guild as a manager of change in production and the adoption of technologies for the conservation of ecosystems.

Another aspect to mention is that the composition of the Advisory Board was modified, which will now be made up with the participation of the president of the National Association of Livestock Farmers, the national director of Animal Health of the Ministry of Agricultural Development; the Director of Livestock of the MIDA; a rancher dedicated to fattening and a rancher dedicated to milk production, both chosen by the ANAGAN Board of Directors.

It will correspond to the Executive Organ to regulate Law 300 in comment. *L&E*

MEASURES FOR THE INTEGRAL DEVELOPMENT OF INDIGENOUS PEOPLES

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In recent days, Law 301 of May 12, 2022 was sanctioned, which establishes measures for the comprehensive development of the indigenous peoples of Panama with the aim of promoting the participation of indigenous peoples, in order to establish the equity of public investment and the bases to achieve the sustainable and integral development of said people.

Law 301 provides that the State recognizes the Integral Development Plan of the Indigenous Peoples of Panama as a guide for the elaboration of policies, programs and projects, as well as for the inclusion of the priorities of the indigenous peoples in the Government Strategic Plan.

As well as, that the sectoral institutions, in coordination with the political-administrative institutions of the indigenous peoples, will elaborate and adopt the indigenous development plans in their policies, programs and sectoral investment projects. These plans will take into account the impacts of climate change on indigenous territories and must promote public investment to mitigate the risks of this and adaptation, in accordance with the priorities of indigenous peoples..

It adds that, in accordance with the provisions of Law 37 of 2016, each ministry and State institution is obliged to consult and coordinate with the indigenous peoples the plans, programs and projects that they are going to carry out in the indigenous territories and communities. The consultation processes will be registered and will be a requirement for the formulation of programs and projects in the National System of Public Investments of the State.

On the other hand, the Ministry of Economy and

Finance will establish a monitoring system for public investment, with uniform criteria, that will allow identifying and classifying the resources destined to reduce the existing inequalities and gaps in the indigenous territories and communities, facilitating accountability. accounts at the sector level. In addition, the ministries with investments in indigenous territories will adopt a monitoring system for policies, programs and projects in indigenous territories and communities, in accordance with the criteria established by the MEF.

The rule contemplates that each state institution must present to the Ministry of Government periodic reports on the implementation of policies, programs and projects in indigenous territories and communities, in accordance with the criteria established in the public investment monitoring system.

Similarly, the Ministry of Government and the Deputy Minister of Indigenous Affairs should study the possibility of establishing incentives to encourage the generation of own resources in the districts and collective territories and promote the creation and growth of indigenous companies.

AMPYME will be responsible for promoting and supporting, through a specialized program of technical assistance and access to financing, indigenous entrepreneurship, the formalization and productivity of local and community economies in the regions, especially run by women and youth, as well as of vulnerable groups, such as people with disabilities.

Law 301 entered into force on May 13; however, the Executive Branch shall regulate the Law in reference. *L&E*

REGULATES LAW 187 OF 2020, WHICH REGULATES THE REDUCTION AND PROGRESSIVE REPLACEMENT OF SINGLE-USE PLASTICS

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The Executive Body with the Ministry of the Environment issued Executive Decree No. 9 of May 6, 2022, which regulates Law 187 of 2020, which regulates the reduction and progressive replacement of single-use plastics.

It should be remembered that Law 187 establishes implementation times that began on July 1, 2021 with ear swabs, plastic covers for laundry clothes, plastic rods to hold balloons, plastic toothpicks, cocktail sticks of plastic, plastic candy sticks and rings for cans.

As of July 2022, the changes in plastic egg packaging, disposable plastic stirrers and disposable plastic plates will come into force, and as of December 31, 2023, plastic reeds.

The general objective of Executive Decree No. 9 is to establish the criteria to guarantee the reduction and progressive replacement of single-use plastics, with sustainable alternatives and with less negative impact on the environment and human health, in accordance with the deadlines and guidelines to those we did in the preceding paragraphs.

Indicates Executive Decree No. 9, which corresponds to the Ministry of the Environment to prepare, develop, implement and update the National Strategic Plan for the purpose of reducing and replacing single-use plastic, which must contain the specific objectives, actions cross-cutting priorities, the implementation mechanisms required for the incorporation of public

institutions, natural or legal persons in daily use and responsible consumption, as well as the reduction and progressive replacement of single-use plastics. The Strategic Plan must also contain necessary mechanisms to create research spaces and guarantee the active participation of civil society organizations, the academic and technical sector, universities, technical colleges and training centers, focused on social, economic and environmental aspects related to the reduction and replacement of single-use plastics.

The Decree states that the National Customs Authority (ANA) must verify that the products entering the country as a replacement for single-use plastics are manufactured in accordance with the provisions of the Law, with reusable, recyclable, biodegradable or compostable.

In turn, merchants, producers, distributors and importers interested in importing sustainable alternatives into the territory, as replacements for single-use plastics, must request the General Directorate of Standards and Industrial Technology (DGNTI) of the Ministry of Commerce and Industries (MICI), prior to importation, a certificate of conformity.

In this order of ideas, distribution, importing or producing companies must apply to Department of Quality Certification of the DGNTI, the conformity assessment certification prior to importation of sustainable alternatives, reusable, recyclable, biodegradable or compostable materials. as

replacement products for single-use plastics.

It is worth mentioning that the Authority for Consumer Protection and Defense of Competition (ACODECO), must ensure the non-commercialization and general use of single-use plastic products established in the Law and impose the corresponding sanctions, to the natural or legal persons, who are dedicated to the service and/or retail or wholesale trade that violate the prohibition of marketing the products contemplated in the Law.

ACODECO inspectors are empowered to physically inspect the premises or commercial establishment, in order to verify that the products that are used or marketed as a sustainable alternative have the corresponding certificates, otherwise they will impose the corresponding sanctions and notify the agent economical to ask your suppliers or distributors for certificates of conformity.

With regard to offenses and sanctions, it has been established that any natural or legal person who violates any of the prohibitions and obligations contemplated in Law 187 will be sanctioned by the corresponding supervisory entity. taking into account that the first sanction to the business will consist of a written reprimand with which it must make the necessary adjustments, in order to comply with the provisions of the Law.

The fines will range between B/. 250.00 and B/. 2,000.00 depending on the number of workers who work with the economic agent, which ranges from small businesses to large distributors, a penalty that must be paid within ten business days following the issuance of the fine.

It is important to note that Executive Decree No. 9 will take effect six months after its enactment, that is, on November 9, 2022. *L&E*

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AGROTOURISM ACTIVITY REGULATED

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With the issuance of Executive Decree No. 11 of May 6, 2022, Law 240 of October 6, 2021 is regulated, which regulates the activity of agrotourism in Panama, whose objective is to promote agrotourism, within rural tourism as an alternative for the sustainable development of the productive agricultural sector.

Executive Decree No. 11 states that its objective is to establish the criteria and procedures to guarantee and promote the development of agrotourism, as a sustainable alternative to rural tourism for the agricultural sector, in accordance with Law 240.

One of the issues developed in the regulation is the definition of the terms safe access, parking area, differentiated quality, uniform character, reduced mobility, annual operating plan, accessible tourism and environmental aesthetics.

With regard to technical team contemplated by Law 240, it has been established that it will be made up of: 1. Planner of Agrotourism Program. 2. Suitable environmental aesthetic technician. 3. Regional extension agents where the farm is located. 4. Suitable extensionists located in the MIDA agencies where farm is located.

The Decree states that the MIDA, through the Agrotourism Program with the support of the Tourism Authority of Panama, will promote and encourage the empowerment of municipalities, local authorities, communities, producers and actors of rural tourism, so that they form rural circles agroindustrial, in

order to identify, promote and develop sites or places of tourist interest in the communities.

Accordingly, once the rural agrotourism circles are established, it will be up to the municipalities, through legal procedures, to organize the administrative structure for their development and implementation, or any model of sustainable self-management.

For certification of agrotourism farm, it is established that you must submit a request that for such purposes the Agrotourism Program will provide the corresponding form to which you will have access via the Internet. Once the certification request has been formalized, the Program's technical team will have a period of six calendar months to carry out all the inspections and evaluations for its granting.

The Decree establishes that MIDES Program and the ATP will assist and facilitate the mechanisms before administrators and public and private institutions for the application of the financial, commercial and fiscal incentives established by Law 240.

It has been arranged that the Agrotourism Program will supervise the fulfillment of all the obligations established in Law 240 and Executive Decree No. 11 and may apply the sanctions that correspond to the agrotourism farms for infractions or faults, after investigation and substantiation of the sanctioning process by the technical team, who will render a report of everything that has been done. *L&E*

RESIDENT PERMIT FOR PERSONNEL OF SPORTS ACADEMIES

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Through Executive Decree No. 47 of May 24, 2022, articles are added to Executive Decree 320 of August 8, 2008, in the sense of developing the immigration regime for the Special Regime for the establishment of Professional Sports Academies. Under these parameters, we created:

1. Visa for the Special Short-Stay Immigration Program.

The foreigner who enters our country without intention of establishing his residence in Panama and with purpose of participating in training, regional events or any other activity organized by professional sports academies of baseball or other sports and sports discipline may apply for this visa. professional sports teams, which may not be longer than nine months, non-renewable.

2. Permit for Personnel of the Transnational Professional Sports Academies of Baseball or other Sports Discipline and within this migratory category are:

- As Executive Staff.

- As Temporary Staff of the Technical Corps.
- Dependent on Executive or Temporary Staff of the Technical Corps.
- As an athlete.

These permits are granted for a term of two years, extendable only once, also having to comply with the requirements common to all resident permits, that of presenting proof of individual or collective health and personal accident insurance policies. that covers the applicant and their dependents on it.

Executive Decree No. 47 provides that the applications for migratory categories contemplated in the Immigration Regime for Sports Academy, will be managed through the Single Window for Investment Processing, attached to the National Directorate of Investments of the Ministry of Commerce and Industries.

The MICI was appointed in coordination with the National Immigration Service to develop the necessary inter-institutional mechanisms to comply with the provisions of this Decree. *L&E*



WHAT IS POWER DEVIATION?

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W

hen we deal with the Principle of Deviation of power, there are multiple factors to take into account, such as: the duty of the public official to adhere to all his actions to the National Constitution, laws and regulations ; transparency, refraining from exercising discretion regarding public resources ; and, with an honest effort to fully perform their duties.

Now, what is Deviation of Power? In Article 201, numeral 37 of Law No. 38 of 2000, it is defined as: "Issuance or celebration of an administrative act with the appearance of being bound by law, but that has been adopted for reasons or for purposes other than those indicated in the Law." In the same order of ideas, Professor Chinchilla defines the legal figure as "an infraction of the legal system consisting of

the exercise of administrative powers for purposes other than those established by the legal system."

It resembles the deviation of power, with the "détournement de pouvoir" in France and "lo sviamento di potere" in Italy, as a vice of the administrative act that consists precisely in the exercise of administrative powers for purposes other than those indicated by the legal system. . Recalling, later, the words of S. Martín-Retortillo: "the misuse of power exists in the legal reality itself, without specifying an express legislative sanction".

Regarding the control of legality of discretionary acts for Misuse of Power in Panama, considers the former magistrate Víctor Benavides, which

¹Artículo 15: Legalidad del Código Uniforme de Ética de los Servidores Públicos.

²Artículo 9: Transparencia del Código Uniforme de Ética de los Servidores Públicos.

³Artículo 8: Responsabilidad del Código Uniforme de Ética de los Servidores Públicos.

⁴Víctor Leonel Benavides Pinilla. (2012). Compendio de Derecho Público Panameño. Panamá: Ediciones Jurídicas Andrés Morales; página 57.

⁵Carmen Chinchilla. (1989). La desviación de poder. Madrid : Civitas – Universidad Complutense de Madrid, (f. 33)

⁶Carmen Chinchilla. (1989). La desviación de poder. Madrid : Civitas – Universidad Complutense de Madrid, (f. 40-41)

⁷Víctor Leonel Benavides Pinilla. (2012). Compendio de Derecho Público Panameño. Panamá: Ediciones Jurídicas Andrés Morales; página 56.

has been configured from the French model, but that its development has been limited to the cause of control for the search of individual interests or personal by that offending public official.

Professor Carmen Chinchilla in her work, similarly locates the origin of the legal-administrative category of misuse of power in the Jurisprudence of the French State at the end of the 19th century, in the genre of Resources for Excès de Pouvoir ("Excess of Power") so that discretionary acts were subject to judicial control. Appearing for the first time the figure of the Excess of Power, in the Constitutional Laws of 1791, under great influence of the Theory of Division of Powers of Montesquieu.

In the Manual of Panamanian Administrative Law, the jurists Manuel Antonio Bernal, José Carrasco and Lastenia Domingo highlighted the Principle of Misuse of Power as the basis for appeals, indicating that: "Misuse of Power" is understood as the issuance or holding of a administrative act with the appearance of being bound by law, but that has been adopted for reasons or for purposes other than those indicated in the Law (Cr. Art. 162, Law 38 of 2000)."

Adding to this last point of the Division of Powers, on June 17, 2011, the Vice President of the Council of State, Monsieur Jean-Marc Sauvé, in his intervention before the Council, made the following comments on the term:

"The separation of powers was built in the West from a paradox. Thought to attenuate, even combat the absolute sovereignty that founded the monarchies of divine right. This did not know how to impose itself, at least in Europe, as the true founding principle of the organization of public powers, and, therefore, it wasn't able to fulfill its main function: to protect human beings against the risks of tyranny. , which can entail the expression of any form of sovereignty, including popular sovereignty.

It is in France, it seems, that this paradox has reached its greatest intensity. Surely, Montesquieu's homeland was the place of the solemn affirmation of the principle according to which: "Any society in which the guarantee of rights is not guaranteed, nor the determined separation of powers, does not have a Constitution." Our first constitutional attempt - the Constitution of September 3, 1791, which lasted only one year - was based on the separation of powers and explicitly enshrined the existence of an independent judiciary."

In France, we have that the Jurisprudence defines the Deviation of Power as a figure compared to the Civil Law theory of the abuse of Rights and characterized by the exercise of a power for an object other than that for which it has been conferred by the Law – being this applied in the French Jurisprudence in three different categories of cases:

1- The administrative act is alien to all public interest: Which is considered the most abusive form of power, particularly illustrated by measures related to public officials, the maintenance of public order and expropriation for public utility. The misuse of said power, they estimate that it can be linked to measures of pure favor for the benefit of the interested parties.

2- The administrative act is carried out in the public interest, but it is not that interest for which the necessary powers to carry out the act have been conferred on its author. They consider that this hypothesis is less serious than the previous one, since, the purpose pursued is in the public interest; but, the attributed powers do not allow the administration to pursue any public interest. That is, they cannot be used indiscriminately to satisfy your financial interests, resolve a dispute or reverse a court decision.

3- This form of diversion of power must be linked to the diversion of procedure, in which the

⁷Carmen Chinchilla. (1989). La desviación de poder. Madrid : Civitas – Universidad Complutense de Madrid, (f. 21)

⁸Intervención de Monsieur Jean-Marc Sauvé, vicepresidente del Consejo de Estado, "La séparation des pouvoirs: efficacité, vertus, intérêts » en Versailles, el viernes 17 de junio del 2011.

⁹« Les grands arrêts de la Jurisprudence Administrative » - Recours pour excès de pouvoir – Moyens d'Annulation – Détournement de pouvoir, Sentencia del 26 de noviembre de 1875, PARISSET (f. 39-42)

administration, hiding the real content of an act under a false appearance, resorts to a procedure reserved by the Law for purposes other than those it pursues, to avoid certain formalities or to suppress certain guarantees.

Turning to our national legislation, there are multiple Judgments in which the legal concept of misuse of power is defined. We have the Judgment of August 17, 1992 of the Third Chamber of the Supreme Court of Justice, which establishes:

"Discretionary powers are opposed to regulated powers and empower the authority, as André De Lauabadère says, so that, in the presence of given factual circumstances, it can freely choose this or that decision without its choice being previously determined by a rule. legal (André De Laubadère, Jean-Claude Venezia and Ives Gaudemet, *Traité de Droit Administratif*, Volume I, Eleventh Edition, Librairie Generale de Droit et de Jurisprudence, Paris, 1990, p. 538).

However, the acts of the administration issued in the exercise of a discretionary power are subject to the control of this Chamber, especially in what refers to the examination of the competence of the authority that issued them, the purpose pursued by them (in order to determine if there was a Deviation of Power), the form (in order to examine if there were errors of form) and the existence of the alleged motives (in order to verify if there was an error of fact or law when confronting the motives with reality or with the legal qualification of the same).
...

The Deviation of Power is a vice of the administrative acts that is generated, as the treatise writers De Laubadère, Venezia and Gaudemet point out, when the administrative authority executes or issues an act of its competence, but in development of a purpose other than that for which the act could be legally issued (work cited, p.444).
...

The Chamber considers that administrative

authorities act with an illegitimate purpose when issuing acts of their competence, in accordance with what was indicated by André De Laubadère (work cited, page 445), at least in the following cases:

1. When the act is issued due to a personal reason, such as a private interest or the spirit of revenge.

2. When the act is issued for an illegitimate political motive, such as when the decision is made with the sole purpose of harming a political opponent and,

3. When the motive for the act is the interest of a third party, which occurs when the decision is aimed at favoring one individual to the detriment of another.

We must not lose sight of the fact that, as Carmen Chinchilla, professor of Administrative Law at the University of Madrid, points out, the vice of administrative acts called misuse of power "emerged as an elaboration of the Jurisprudence to control this manifestation of administrative power - called discretionality- which had been escaping jurisdictional control" (The deviation of power, Editorial Civitas, Madrid, 1989, p. 58)."

In the Judgment of November 15, 1994 under the presentation of Judge Mirtza Franceschi de Aguilera, they indicate that: "the misuse of power occurs when the administration uses its powers for a different purpose than the one for which they were conferred. This means that the discretionary power with which the organs of power can act in the exercise of their powers is never unlimited, and must always be motivated by reasons of good service, and not by reasons of personal affection or disaffection, malevolence or favoritism, against or for the benefit of someone. (PENAGOS, work cited, p. 922)"

¹²Manual de Derecho Administrativo Panameño (2013). Manuel A. Bernal, José A. Carrasco A., Lastenia M. Domingo C. (f. 360-361)

In that same Judgment, Dr. José A. Carrasco is quoted, where he establishes that when Misuse of Power is alleged as a reason for nullity, "the Judge is obliged to seek and determine the subjective intentions of the administrative agent seeking the act... In Panama, misuse of power should constitute one of the most important reasons for illegality within the so-called contentious-administrative jurisdiction, since the 'literal' violation of the Law cannot be used to control the violation of the spirit of the Law." (José A. Carrasco. Contentious-Administrative Jurisdiction is important in Panama, France, November 1978, La Nación Printer, INAC, Panama, p. 147).

Subsequently, in the Judgment of July 15, 2002, under the presentation of Magistrate Adán Arnulfo Arjona, Hauriou was cited, who mentioned that the misuse of power would be framed as: "the act of an administrative authority carrying out an act of its competence with the observance of the prescribed norms and not incurring in formal violation of the Law, use of their power for purposes and for reasons other than those in view of which such power was conferred upon them; that is, other than the good of the service". (Hauriou in New Legal Encyclopedia, Volume VII, p. 333). (July 26, 1999).

The two previous rulings were included within the legal support of the Judgment of October 31, 2014, through which the existence of misuse of power was confirmed, as there was no concordance between the administrative action and the purpose pursued by the Law.

Finally, in the Ruling of August 29, 2017, the Deviation of Power is defined as "said legal phenomenon that constitutes a vice of the administrative act, which

consists in the exercise by an entity of the Public Administration of its powers to purposes or objectives other than those indicated by the Law, but relying on the formal legality of the administrative act that was issued." They also add the definition of the Colombian jurist, Dr. Jaime Orlando Santofimio, who refers to the misuse of power in this way: "the vice of misuse of power is structured in those events in which the administration, by using its powers, acts trying to achieve a purpose other than that which corresponds in law in a general way, or to said authority in particular." (SANTOFIMIO GAMBOA, Jaime Orlando. Administrative Law Treaty. Administrative Act. Universidad Externado de Colombia. 4th Edition. Page 410).

Definitely, as Professor Chinchilla mentioned, the issue of misuse of power, although it has not been a completely abandoned area for the doctrine, nor has it been one of the great paths overcrowded by doctrinal traffic. It is a reality that acts of misuse of power occur every day, which merits further legal in-depth study and also a legislative effort to deal with an issue of vital importance in a more precise way. That is why, in jurisdictions in which there is already a more advanced doctrinal evolution in this legal concept, there are even specific Resources against Excess Power, as in France, with which it is sought to exercise control of administrative acts and that arbitrary acts are not incurred and far from the true spirit of the norm.

It is necessary for the public official to adhere to his actions to the legal system, the Constitution, the Law and others in Panama and to maintain the fundamental assumptions of honesty and transparency; leaving aside personal interests and always seeking with our actions the well-being of our Nation and society.^{L&E}

¹¹Manual de Derecho Administrativo Panameño (2013). Manuel A. Bernal, José A. Carrasco A., Lastenia M. Domingo C. (f. 360-361)

¹²Registro Judicial. Noviembre 1994. Contencioso Administrativa de Nulidad (f. 292)

¹³Registro Judicial. Noviembre 1994. Contencioso Administrativa de Nulidad (f. 292)

¹⁴Sentencia del 15 de julio del 2022 bajo la Ponencia del Magistrado Adán Arnulfo Arjona (f. 22)

¹⁵Sentencia del 31 de octubre de 2014 bajo la Ponencia del Magistrado Víctor Benavides (f. 15)

¹⁶Sentencia del 29 de agosto del 2017 bajo la Ponencia del Magistrado Abel Zamorano (f. 17-18)

¹⁷Carmen Chinchilla. (1989). La desviación de poder. Madrid : Civitas – Universidad Complutense de Madrid, (f. 17)

THE TAT DECLARES PRESCRIPTION OF THE ITBMS, DUE TO DEFAULT BY THE DGI

COMPETENCIA: TRIBUNAL ADMINISTRATIVO TRIBUTARIO

FECHA: 18 DE MARZO DE 2022

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The Administrative Tax Court in the Unitary Chamber, admitted the Appeal filed by the law firm, acting as legal representatives of the taxpayer with RUC, against Resolution No. 213-5471 of November 23, 2009 and its act amendment contained in Resolution No. 201-4441 of July 27, 2020, both resolutions issued by the General Directorate of Revenue (DGI) of the Ministry of Economy and Finance, by which it is resolved to DEMAND the taxpayer to pay the sum of Nineteen thousand four hundred and eighty-two balboas with 60/100 (B/.19,482.60) nominal and One thousand nine hundred and forty-eight balboas with 32/100 (B/.1,948.32) of surcharge, for the Tax on the Transfer of Personal Property and the Provision of Services (ITBMS) corresponding to the period 2007.

Through Resolution No. 213-5471 of November 23, 2009, the General Directorate of Revenue of the Ministry of Economy and Finance, decided to DEMAND the payment of the sum of Sixty-seven thousand one hundred and ninety-six balboas with 62/100 (B /.67,196.62) for the Tax on the Transfer

of Personal Property and the Provision of Services (ITBMS), corresponding to the fiscal period 2007, due to the fact that the taxpayer failed to submit the forms corresponding to the fiscal period 2007.

On June 23, 2010, the law firm filed a formal Reconsideration Appeal against the aforementioned resolution stating that the resolution is an administrative error and the legal injury to the taxpayer must be corrected.

When resolving the Appeal for Reconsideration, the Tax Administration modified the aforementioned resolution ten (10) years after the appeal for reconsideration through Resolution No. 201-4441 of July 27, 2020, thus exhausting the first instance. Among the grounds that motivated this decision, the Tax Administration considered that, regardless of whether the taxpayer had submitted the ITBMS declarations corresponding to the 2007 period, he did not declare the total amount reported as income, which appears in his 2007 Income Tax Return. , for which the required tax was adjusted, taking into

consideration the amount of B/. 389,651.63 which were not declared, resulting in the tax to be paid in the amount of B/. 19,482.60 nominal and B/.1,948.32 surcharge for ITBMS corresponding to the 2007 period.

CONSIDERATIONS OF THE COURT:

The Administrative Tax Court states that the taxpayer, being subject to the payment of the ITBMS, was required to submit a sworn statement of the aforementioned tax on a monthly basis, in compliance with the provisions of paragraph 9 of article 1057-V applicable to the 2007 period; that by failing to submit the aforementioned affidavit regarding the ITBMS, the Tax Administration taxed all the income reported in the affidavit of income, not having a tax credit record in favor of the taxpayer.

The Administrative Court points out that within the file there is evidence that the taxpayer submitted all the ITBMS sworn statements corresponding to the 2007 period, however, it can be seen that he did not declare the total amount reported as income in that period.

The Administrative Court states that from the moment the reconsideration was upheld, the General Directorate of Revenue of the Ministry of Economy and Finance allowed, due to its inaction, more than ten (10) years to elapse to issue an amending resolution to demand with surcharges a tribute that the law indicates that if it is not collected in five (5) years it prescribes.

In this sense, it is clear that, by the time the Tax Administration decides to resolve the reconsideration appeal filed by the taxpayer, his right to demand the collection of ITBMS corresponding to the 2007 fiscal period had already expired, despite having been interrupted. the term was June 3, 2010, because the term in which the appeal for reconsideration was addressed was excessive; Therefore, this Court considers that the requirement of the Tax on the Transfer of Personal Property and the Provision of Services (ITBMS), made by means of Resolution No. 201-4441 of July 27, 2020, should be eliminated. Before concluding with the respective analysis, the

Administrative Tax Court calls attention in the first instance to the General Directorate of Revenue of the Ministry of Economy and Finance so that they review their actions in order to avoid circumstances that may affect the normal course of the process.

RESOLUTIVE PART:

THE ADMINISTRATIVE TAX COURT: DECLARES the Law of the General Directorate of Revenue to demand payment of Taxes on the Transfer of Movable Corporal Property and the provision of services for the period corresponding to the year 2007.

OPINION:

I consider the decision of the Administrative Court to be appropriate when declaring the prescription, since it is unacceptable that after 10 years the General Directorate of Revenue intends to demand a payment of which is already prescribed. With this we can realize the slowness of all the processes presented before the Tax Directorate. It is inconceivable that an administration takes so long to resolve an appeal, and this delay does not only happen with reconsideration appeals, but also with the other procedures presented in the DGI, at the end of the day the taxpayer is the one who ends up paying the whims of an inefficient Tax Administration.

WHAT HAPPENS WITH THE PAYMENT ARRANGEMENTS REQUESTED BEFORE THE GENERAL DIRECTORATE OF REVENUE.

With this example we can realize how slow the Tax System is when resolving an application. The taxpayer requested in August 2021, a payment arrangement, constant follow-up was given so that said request would be worked on in a timely manner, however, seven months elapsed in which the aforementioned payment arrangement request was approved. , and two months later the aforementioned payment arrangement was formalized , thus passing 9 months for the General Directorate of Revenue to

approve a request for a payment arrangement, however in the course of those nine months the taxpayer encountered many difficulties causing uncertainty , within those months the Tax Directorate was able to perceive that there was a procedure presented in the year 2017 which had not been worked on by the DGI and worse still they lost the file of the reconsideration resource presented by the taxpayer, even so instead of amending the situation caused by the institution, they ask the taxpayer to desist from the resource of reconsideration deduction as a condition without which the payment arrangement would not be granted. This is the via crucis that taxpayers go through daily. *L&E*



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AMADOR MARITIME DEVELOPMENT ENVIRONMENTAL IMPACT STUDY REJECTED

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M I AMBIENTE, resolves through Resolution No. DEIA-IA-RECH-004-2022 of May 6, 2022, evaluation of the Environmental Impact Assessment (EIA) category III, of the project DESARROLLO MARÍTIMO AMADOR (AMADOR MARITIME DEVELOPMENT), of promoter L.G.S. PANAMA TOURISM DEVELOPMENT, S.A.

On March 31, 2022, the company L.G.S. PANAMA TOURISM DEVELOPMENT. S.A., through its legal representative ELIO JOSÉ CAMARENA, presents the (EIA) category III, of the project DESARROLLO MARÍTIMO AMADOR (AMADOR MARITIME DEVELOPMENT) prepared by the consulting company PLANEAMIENTO Y DESARROLLO, S.A. (PLADES).

OBJECTIVE, LOCATION AND STRUCTURE OF THE PROJECT

According to the EsIA, the objective is "the construction of a landfill on the eastern margin of the Amador Causeway for the future development of activities on

it, including hotels, commercial areas, amusement parks, sports areas, a public beach, marinas among others". The project covers 50 hectares of landfill, which will be made following the design of the shape of two dolphins whose noses meet. The landfill will lay the foundations for the execution of a master plan that will include the following activities according to the table: Areas to be developed in the future: dry marine area, maintenance area, parking area, lodging area, restaurant, extreme sports, water sports, beach, commercial, office, vehicular and pedestrian areas and are subject to activities that will have their own EIA and are not included in its scope. It has an approximate area of 156.24 hectares, defined by the aquatic area that corresponds to the Pacific Ocean, whose surface is 146.44 hectares, and the land area made up of the landfill in front of the FIGALI CONVENTION CENTER. The specific location of the project is the Amador Causeway, Corregimiento de Ancón, District and Province of Panama.

SUBMITTED STUDY VERIFICATION

As part of the process, it has the evaluation of following institutions and directorates: Sectoral Environmental Unit (UAS) MOP, MIVIOT, Panama Maritime Authority, Ministry of Culture, IDAAN, SINAPROC, MINSA, ACP, Mayor of Panama, ATP, ARAP, by DEIA-DEIA-UAS Note 0055-0404-2022; while the Directorate of Coasts and Seas (DICOMAR), Directorate of Water Safety (DHS), Forestry Directorate (DIFOR), Directorate of Protected Waters and Biodiversity (DAPB), Directorate of Environmental Information (DIAM) and the Regional Directorate of MI AMBIENTE Panama, Metropolitan through MEMORANDUM-DEEIA-0191-0404-2022. The Environmental Policy Directorate (DIPA), University of Panama, Technological University of Panama and Smithsonian Tropical Research Institute of Panama.

ANSWERS ON THE EVALUATION

The MOP maintains that it has no objection or comments on the matter. The MINSA has no objection to the execution of the project". The DIPA, for its part, expresses its observations indicating that it was carried out incompletely, for which they recommend estimating the monetary value of the positive and negative impacts of the project indicated in Table 9-1 of the EIA, among other things. The Environmental Information Directorate (DIAM) determines the following: Area of direct influence (land) Surface: 9has+ 7,996.24m². Direct area of influence (water) Surface 146 has +2,956.33m². Direct area of influence (land) Surface: 390has+3,679.25m². Deposits of dredged material #1 Surface 150.has. Deposits of dredged material #2 Surface 450.has+2,000m²... Outside SINAP, Law 21 Urban Center, Canal Operation (water), Canal Operation (land) Deferred Use (third set of locks)". The Environmental Impact Directorate (DEIA) concludes that "The area where it is proposed to develop the landfill and marina is used as an anchorage for vessels. The area indicated in the EIA, which will be used for the camp, was not visited because the representative of the promoter indicated that it will not be used, for which it is unknown where the camp area will be located". The ACP states that "after verifying the coordinates provided in the

detailed study of the Direct and Indirect Impact areas, they indicate that the project is outside the limits of the Panama Canal Hydrographic Basin, however part of the project is It is within the area of the limits identified as Compatibility with the Operation of the Panama Canal, so those responsible for the project must process this permit before continuing with the process of evaluating the Environmental Impact study. The Department of Water Safety (DHS) indicates that the Impact study and map prepared by the Department of Water Safety, the development of the project will not affect fresh water sources such as: rivers, streams or others; however, it will involve the use of sea water, an activity that requires the corresponding permits from MI AMBIENTE. The AMP, points out" On page 011, paragraph 2.2.2.3 Dredging says: the areas where the landfill will be built and for the access channels to the marinas and the interior of the island, must be dredged to a depth of 2m and on page . 068, paragraph 5.4.2.2 of the same project says: The areas where the landfill will be built and for the access channels to the marinas and the interior of the island, must be dredged up to a level of 4m (MLWS. What will be the real level to dredge ... In the oceanographic aspects, it is necessary to mention that the studies presented in this project are not studies carried out in the field (in situ), therefore, they can only be shown as a reference and not as their own studies for this project, this project must carry out its Own Oceanographic / Hydrographic studies and be compared with the studies as a reference..." Among other comments.

My Culture indicates that the Archaeological Report lacks information necessary for its evaluation in accordance with the provisions of Resolution No. 067-08 DNPH of July 10, 2008... It is important that the analysis of this project assess the impact on the Cultural Landscape of the Amador area as a whole and surroundings, taking into consideration the existing legal instruments..." The Forestry Directorate considers what is proposed in this study to be feasible in relation to the forestry issue. The MIVIOT indicates that "Every building to be built must have a land use, and for this land use to be granted, it must

have a real folio or farm number..." As for the MOP, through the Directorate of Studies and Designs and the Office of Special Projects, which indicates that "... The study does not mention possible damages to the road and existing structures (bike paths, sidewalks, parking lots, green areas)...The road easement must be maintained free of any development, it will only be allowed for the purposes of access to the project... they also mention "... The document contemplates in the operation phase possible impact on the increase in vehicular traffic which, we consider, will reduce the useful life period for which it was designed the Expansion of the Amador Causeway and would also produce an increase in the maintenance of the road that is currently managed and administered by the MOP, however, the study does not propose mitigation measures or alternatives to improve vehicular flow in the area..." The Public Registry reports that according to registry records, the company L.G.S. PANAMA TOURISM DEVELOPMENT, S.A., is registered on Folio 155696678 and to date maintains a suspended status".

The Metropolitan Regional Directorate mentions that at the time of the inspection it was observed that there was no flora, given that it is an intervened area, with the exception of the presence of grass and certain palm trees on the banks of the road easement... they request to verify the extraction sites of sand...indicate if it is contemplated within the scope of the project (coordinates the site of said camp. Or if it has the permits since the indicated site belongs to companies that have concessioned the area in its entirety..." The comments of the Technological University, are focused on the description of the study, bibliographic references, deficiencies in the baseline survey, (physical, biological and socioeconomic environment) identification and assessment of impacts, environmental management plan, among others. The Directorate of Coasts and Seas, issues the following technical comments: "The information corresponding to wave conditions, flows and currents shows that they were based on The cited data corresponds to 1997 to 2011, therefore, since there are considerable changes after the cited years, we request that the modeling be

carried out with the most recent data..." also that "... The Promoter Company must present the topographic plans of the seabed specifically where it goes the line of the project in the sea, together with the most current data modeling, for sea level rise scenarios, together with the most current data modeling for sea level rise scenarios and current effects..." The International Council on Monuments and Sites (ICOMOS Panama) gives its opinion regarding the possible impacts that the project would generate in the Casco Viejo Historic District of Panama City and its buffer zone, named since 1997 as a World Heritage Site by UNESCO. The Smithsonian Tropical Research Institute, in its comments on possible effects on its operations, public utilities and vehicular traffic management, the landscape, shortcomings of the study regarding the baseline survey. The UAS, IDAAN, THE MAYOR'S OFFICE, issued their comments out of time, while the UAS of SINAPOROC, ATP AND ARAP did not present observations, which is assumed they don't object to it..

The developer justifies the category based on environmental protection criteria, noting that the respective analyzes show that the "AMADOR MARITIME DEVELOPMENT DEVELOPMENT" Project will produce significantly adverse environmental impacts by presenting some of the characteristic effects or circumstances provided for in the five environmental protection criteria identified in article 23 of this regulation, specifically Criteria 1 and 2, which have been considered in the preparation of this EIA, as well as to determine their corresponding category..." Taking into consideration the location of the project it is necessary to indicate that the area on which it is intended to be developed was declared a special Tourist Zone, due to its special conditions for the attraction and retention of tourism by Cabinet Decree No. 66 of February 23, 1990. In In this sense, we must point out that the objective of the project is to fill not of an area of 50 hectares of seabed that will lay the foundations for the execution of a Master Plan, a proposal that will permanently modify the area occupied by said work, altering biotic and abiotic factors that exist in that area, as well as modify

permanently the current composition of the landscape which is one of the attributes of tourist attraction. Given the special conditions of the "Special Tourist Zone of the Fuerte Amador area", the project under evaluation affects factors: the affectation, intervention or exploitation of territories with declared landscape and/or tourist value, the obstruction of the viability of areas with declared landscape value and the modification in the composition of the landscape, of the Environmental Protection Criterion number 3, provided in Article 23 of Executive Decree 123 of August 2009.

In relation to the quality of surface waters, the promoter indicated "in the area of influence of the project there are no surface sources of fresh water, since it will be developed in marine-coastal waters, for which a field measurement campaign was carried out and bibliographical research on marine waters and sediments to determine how the Project during the construction and operation phases could modify or affect the quality of the Bay of Panama. It can be determined that the baseline in terms of the analysis of the environmental aspect (water quality) is deficient, since the sample collected is not representative, which allows knowing the real condition of the quality of seawater. Regarding the topography of the area, the promoter indicates that the project will be developed in a marine area for which this section will mainly describe the elements of the bathymetry of the project's area of influence. About the authorized dumps for the disposal of dredged material, where the promoter indicated that it has two deposit sites: an authorized area for dredging removed from the PSA Panama Port area and the other area approved through the EIS Category III, Port Expansion PSA, however, the EIAs are designed to manage the impacts identified based on the scope of the project or activity analyzed, that is, these sites were approved to deposit the dredging volumes that these projects would generate. For the geotechnical characterization of the soil strata, the geotechnical study was taken as a reference for the Category II Environmental Impact study for the project Study, Design, Development and Approval of Plans and Construction of the Amador

Cruise Terminal, Perico Island. , Panama, this is made up of 10 wells located a thousand meters from the project in question. Article 19 of Executive Decree 123 of August 14, 2009, indicates that "The Environmental Impact Studies of those Projects, works or activities whose execution has been conceived in areas where similar ones have already been proposed, will focus solely on the description of the most relevant aspects of the area and in detailing the environmental impacts, as well as the mitigation and/or compensation measures, and the Environmental Management Plan, incorporating the Environmental Impact Study, the baseline information that was already endorsed by ANAM in the other processes. It will be valid for two (2) years from the presentation of the Environmental Impact Study. The aforementioned study was presented on October 3, 2017 and approved by Resolution No. DIEORA-IA-161-2017 of November 21, 2017, therefore, it cannot be used as a reference for the Category III Environmental Impact Study of the Development project. Maritime Amador (Amador Maritime Development). Regarding currents, tides and waves, the Panama Maritime Authority, during the evaluation phase, states that: "...in oceanographic aspects, it is necessary to mention that the studies presented in this project are not studies carried out in the field (in situ).), so they can only be shown as a reference and not as their own studies. For this project, they must carry out their own Oceanographic / Hydrographic studies and be compared with the studies that they present as a reference.

The Review Commission Department of Hydraulics, Sanitary and Environmental Sciences of the Technological University makes a bibliographic description of the coastal and marine processes in the project area and in the region of the Gulf of Panama with an analysis of currents, tides and waves, but It is not specified how this translates into the mitigation of the environmental impact of a seabed filling and the resilience between the rise in sea level and extreme storms as a consequence of climate change.... citing the EIA III of the Wastewater Treatment Plant of the Panama City Sanitation Project (Ingemar 2005) is

very old, the conditions may have changed. These are old studies that need to be updated. They do not consider threats of flooding due to the rise in sea level. Regarding the aspect of the Biological Environment, for the flora, a marine biological sampling is carried out in the area of the Amador Causeway or Casway. The study area included 3 sites where phytoplankton trawls were carried out... on the fauna... marine biological sampling was carried out in the area of the Amador Causeway or Casway. The sampling area includes 5 stations where benthos collections were made and 3 sites where phytoplankton and zooplankton trawls were carried out. However, the collected samples are not representative, depending on the surface with incidence of the project, therefore, the base line raised for the biological environment is deficient. The Directorate of Coasts and Seas of Mi Ambiente, indicates that: "...Regarding dredging, we can indicate that it is not done. a biological or geological description of the final disposal site of the dredged material, when locating the coordinates in an image it was possible to observe that these sites are in areas where cetaceans have been sighted, therefore, the mitigation measures must take into account the interaction with these species, therefore they do not foresee mitigation measures to avoid collision events with these marine mammals..." It can be indicated that the technical report does not identify or value the possible impacts generated by the activity of dredged material. The Smithsonian notes that "...c. The EsIA is equally deficient because it focuses only on the landfill area and does not consider the biological effects on the ecosystem. It should also be noted that the organisms that will be affected are not only benthic at the point of construction, but all benthic, intertidal meritic up to Flamingo or even beyond. Regarding the increase in vehicular traffic, in the operation phase it is indicated that "...During the operation of the island, the new marina will attract boat owners who will use the facilities and who will arrive mainly in their vehicles. However, the users of the marinas are not constant visitors and do not presuppose an increase in the current load of vehicles that visit the Causeway..." This analysis coincides with the comments of the MOP,

which contemplates in the operation phase possible impact on the increase of vehicular traffic, which we believe will reduce the useful life period for which the Amador Causeway Expansion was designed and would also produce an increase in the maintenance of the road currently managed and administered by the MOP. The Environmental Policy Directorate states that the economic adjustment for social and environmental cost-benefit externalities of this project was carried out incompletely..." It is deficient, since a monetary valuation of an impact was made that wasn't identified in the chapter 9, and it was not adjusted because the 16 impacts indicated by the Environmental Policy Department did not receive a monetary valuation. It is important to refer to Law 5 of April 15, 1988; "By which the Public Works Execution system is established and regulated by the Administrative Concession system and other provisions are adopted", modified by Law 76 of November 15, 2010, which adds article 2 on the following:

"Artículo 2-A: El Estado podrá pactar con el concesionario la construcción y habilitación de las nuevas áreas de terreno que resulten del relleno del lecho marino u otros medios para desarrollos habitacionales o comerciales, de modo que las nuevas fincas así creadas puedan garantizar el financiamiento del proyecto y/o amortizar el monto total recuperable de la concesión.

The ruling of May 13, 2021 of the Supreme Court of Justice declared the content of the aforementioned article unconstitutional since it violates the content established by the Political Constitution in its article 258, which establishes "They belong to the state and are for public use and Therefore, the following cannot be the object of private appropriation: The territorial sea and the lacustrine and fluvial waters, the beaches and their shores and the navigable rivers, and the ports and estuaries. All these assets are of free and common use, subject to the regulations established by the Law. The Court indicates that interpretations of the constitutional text are not necessary to reach the conclusion that none of these assets can be the object of private appropriation.

Through Law 8 of March 25, 2015, the Ministry of the Environment RESOLVES: TO REJECT the

Category III Environmental Impact Study of the AMADOR MARITIME DEVELOPMENT project. It warns promoter that the beginning, development or execution of project activities, without having previously approved the Environmental Impact Study, may entail civil or administrative liability, without prejudice to criminal liability. The argument of the Ministry of the Environment is that the area on which the project is intended to be developed was declared a Special Tourist Zone due to its special conditions for attracting and retaining tourism. "In that sense, we can point out that the objective of this project is to fill in a surface of 50 hectares of seabed that will lay the foundations for the execution of a Master Plan, a proposal that would permanently modify the area occupied by said works, altering biotic and abiotic factors that exist in that area, as well as permanently modifying the current composition of the landscape, which is one of the attributes of tourist attraction.^{L&T}



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SUPREME COURT DECLARES UNCONSTITUTIONAL PAID LICENSES FOR MAYORS AND DEPUTY MAYORS AND REPRESENTATIVES AND ALTERNATES

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On October 4, 2021, the claim of unconstitutionality filed by Mr. Roberto Ruiz Díaz is admitted, the claim is against the words "with salary" contained in articles 72 and 83 of Law No. 37 of June 29, 2009 that decentralizes the public administration, it was published in the Official Gazette No. 23314 of June 30, 2009 and was reformed through Law No. 66 of October 29, 2015.

The words in question accused of unconstitutionality are "with salary", let us now contemplate the articles in question and the constitutional norm that is the one that is transgressed; in both articles we have underlined being ours.

Art. 72 of Law No. 37 of June 29, 2009:

"The Corregimiento Representative and his alternate effect will enjoy paid leave in public office, they may not be fired and the leave time will be recognized for retirement, bonus or any other benefit. In the case of working in the private company, they will enjoy a license."

Art. 83 of Law No. 37 of June 29, 2009:

"The Mayor and Vice Mayor-elect shall enjoy paid leave in public office. They cannot be fired and the leave time will be recognized for retirement, bonus or any other benefit. In the case of working in the private company, they will enjoy a license."

Pointing out article 17 of the Political Constitution of Panama that dictates the following:

"The authorities of the Republic are instituted to protect the life, honor and property of nationals wherever they are and foreigners who are under their jurisdiction; ensure the effectiveness of individual and social rights and duties, and comply with and enforce the Constitution and the Law.

The rights and guarantees enshrined in this Constitution must be considered as a minimum and not exclusive of others that affect the fundamental rights and dignity of the person."

This explains the promoter of the unconstitutionality claim that is produced directly by commission, since articles 72 and 83 of Law No. 37 of 2009 contemplate situations framed in the Political Constitution and its approval by the National Assembly of Deputies did not guarantee its compliance, since it includes in its wording the words with salary to refer to the right of the public servant who is popularly elected, to continue receiving his full salary without even working it, either simultaneously or at different times, as it is stated that by the fact of having been elected gives him a prerogative.

On the other hand the art. 19 of our constitution also stipulates the following:

"There will be no jurisdiction, privilege or discrimination based on race, birth, disability, social class, sex, religion or political ideas." Being thus a violation in concept of direct violation by commission, insofar as the words demanded establish situations prohibited by the Constitution, since it is ruled that certain candidates can benefit, to the detriment of others, by being able to obtain, if elected, a license with salary without working in the public sector, compared to those who are elected and work for the private sector, because in the latter case, they can only access a simple license, that is, without salary. As for articles 302 and 303 of the Magna Carta, the proponent also considers that they are violated.

Article 302:

"The duties and rights of public servants, as well as the principles for appointments, promotions, suspensions, transfers, dismissals, layoffs, and retirements will be determined by law.

Appointments to career personnel will be made based on the merit system.

Public servants are obliged to personally perform their functions to which they will dedicate the maximum of their capacities and will receive fair remuneration for the same."

Article 303:

"Public servants may not receive two or more salaries paid by the State, except in special cases determined by Law, nor hold positions with simultaneous work shifts.

The pensions of public servants will be based on actuarial studies and reasonable budget proportions." According to these articles, then, receiving remuneration without having worked personally, while at that time also receiving another salary as an official elected by popular vote, is a violation of the constitution; Incidentally, it is clear in our constitution that it is mentioned that the one who performs the functions must do so personally and with the maximum capacity of him to obtain fruits and benefits for the State; adding at the same time that in effect there are regulations that allow receiving two incomes, but they cannot be earned in simultaneous days.

The concept of the Attorney General's Office analyzes the case as follows:

"From our perspective, article 72 of Law 37 of June 29, 2009, has the purpose that the Corregimiento Representative and his elected substitute, can benefit from a license depending on the public or private position they held.

The same occurs with article 83 of the same normative body, when it establishes that the elected Mayor and Vice Mayor will enjoy a license, depending on their official destination or that which they had in the private company. The proposed scenario represents a jurisdiction or a privilege for people who hold public office, since they will benefit from paid leave, to the detriment of those who come from private companies who are entitled to leave without pay. The circumstance described assumes that the legislator has led to the creation of unfair situations in favor or for the benefit of certain people to the detriment of others. It is for this reason that article 19 of the Political Constitution prohibits privileges or privileges for those who, in principle, find themselves in the same situation.

...

...

When applying the transcribed doctrine alluding to the principle of equality before the law to the case under study, it is evident that the words "...with salary..." contained in articles 72 and 83 of Law No. 37 of June 29, 2009, they are violators of article 19 of the Political Constitution of the Republic, because we are faced with a distinction that involves an unfair limitation or restriction; that is, unfavorable treatment for certain persons who, in principle, are in the same legal situation as others. These same reasons are what give rise to the violation of article 17 of the Fundamental Statute, given that the legislator has not ensured the effectiveness of the social right to work under equal conditions..

...

In the same direction, we state that the unconstitutionality mentioned in the previous paragraph reaches article 302 of the Fundamental Statute, because it indicates that the duties and rights of public servants, as well as the requirements for appointments, among others, will be determined by the Law, but understanding that the Legislative Branch must preserve the principle of legal limitation of the will of the State to avoid curtailing the legitimate privileges of citizens, as has happened with the words "... with salary" contained in articles 72 and 83 of Law 37 of June 29, 2009, under examination.

...

The violation of the Magna Carta on behalf of the Legislative Body by issuing the words "...with salary..." contained in articles 72 and 83 of Law 37 of June 29, 2009, becomes more evident when the article is analyzed 303 of the Fundamental Statute, which stipulates that public servants may not receive two (2) or more salaries paid by the State, except in special cases determined by Law, nor hold positions with simultaneous work shifts.

In relation to this issue, this Office considers it necessary to clarify that the legal reserve clause or the delegation that article 303 of the Magna Carta allows the legislator to say "except for the special

cases determined by the Law" violate the principle of Unity Constitutional, since it ignores the study of systematic interpretations. We say this because it has already been explained in the paragraphs provided that in the case under analysis there is an obvious infringement of the principle of equality set forth in Article 19 of the Magna Carta due to a distinction being made between people who are in the same or similar conditions in terms of Regarding the license to which the Corregimiento Representative, his deputy, as well as elected Mayor and Vice Mayor, are entitled to work in public or private sector, hence it is not feasible that article 303 of the Constitution will open the possibility that the Law establishes exceptions to the prohibition of receiving two (2) or more salaries paid by the State or holding positions with simultaneous working hours.

...

That same control of constitutionality must lead the Court to reinforce the concept that the words "...with salary..." contained in articles 72 and 83 of Law 37 of June 29, 2009, which decentralizes the Public Administration, they are unconstitutional for the reasons discussed above. Everything explained in the previous lines is summarized in what is indicated in Article 163 (number 1) of the Political Constitution, which states that the National Assembly is prohibited from issuing laws that contravene its letter and spirit."

After the opinion on the matter by the Administration Attorney and in accordance with the provisions of Article 2564 of the Judicial Code, I proceed to the consideration and decision of the Plenary.

The plenary session quoted Doctor César Quintero, in his work Constitutional Law, in reference to art.19 of the constitution

"Everything expressed tells us that the Constitution does not prohibit distinctions between the inhabitants of the State. What it prohibits, then, is that there are distinctions. And this leads us, finally, to specify this term. The distinction involves an unfair limitation or restriction; unfavorable treatment for certain people

who, in principle, are in the same situation as others who, however, receive favorable treatment. The concept of distinction IS IDENTIFIED, thus, with that of discrimination, which, however, being a neologism perhaps better expresses the idea that we have tried to explain. Well, the term discrimination, widely used in other languages, means unfair and injurious distinction."

It is also cited considerations issued by the Supreme Court about the scope and depth of the principle of non-discrimination and equality before the law; enshrined in articles 19 and 20 of the Constitution.

For the plenary, the violation of the fundamental norm occurs because the contested words establish a distinction that entails an unfair limitation or restriction; that is, an unfavorable treatment for certain people who, in principle, are under the same legal situation as others.

In the same way, it considers that there is a violation of article 17 of the Political Constitution, which establishes that it is the responsibility of the authorities of the Republic of Panama to ensure the effectiveness of individual and social rights and duties, and to comply with and enforce the Constitution and The Law also is, that the rights and guarantees that the constitution establishes must be considered as minimum and not exclusive of others that affect fundamental rights.

Therefore, the constitutional provision that is indicated as violated in article 302 of the Constitution, which indicates that the duties and rights of public servants, as well as the principles for appointments, promotions, suspensions, transfers, dismissals, dismissal and retirement will be determined by law, and also establishes the obligation of public servants to personally exercise the function for which they have been appointed or chosen, which will give the right to receive fair remuneration. The plenary mentions that it is important to insist that the exercise of the function entails that the server performs its tasks in the time for which it has been designated or appointed, as well as the effective fulfillment of the working day and all those obligations that concern it. . Thus, according

to the designated time, the State must adequately compensate the service provided. That is, the public official chosen to work for a defined period of time will be entitled to the salary corresponding to the period in which he or she is actually in charge of a public function.

The plenary makes mention of the ruling of March 13, 2019 that denied Amparo of Constitutional Guarantees filed by several deputies of the National Assembly against Resolution No. 303-Leg. On May 27, 2015, issued by the Comptroller General of the Republic at that time, Mr. Federico A. Humbert, said resolution ordered the suspension of the payment of salaries earned by the Honorable Alternate Deputies as officials of other State dependencies when In turn, they received fixed payments in the form of per diems, fuel and salaries from the National Assembly.

Giving this example, the plenary considers that the words "with salary", contained in articles 72 and 83 of Law No. 37 of June 29, 2009, contravene article 302 of the Political Constitution, by allowing the Representatives of Corregimiento, its alternates, Mayors and Vice Mayors, the benefit of receiving a salary, without having worked personally, since it is the obligation of all public servants to personally exercise the function for which they have been appointed or chosen, which will entitle them to receive fair remuneration .

Regarding article 303 of the constitution, the plenary is of the opinion that the fundamentally mentioned rule is sufficiently clear to categorically dismiss the duplication of income applicable to public servants or that of occupying positions that require simultaneous work days, with legal exceptions.

They share what was raised with the Administration Attorney, considering the infraction of numeral 1 of article 163 of the Constitution, which provides that the Assembly is prohibited from issuing laws that contravene the letter or the spirit of the Constitution.

Being all these arguments that were analyzed and weighed by the Plenary, the words "with salary" contained in Article 72 and 83 of Law No. 37 of June 29, 2009 are declared unconstitutional.

In conclusion, the salaries of officials should not be paid if they do not comply with what is established, which has been to personally provide their service and attention for the benefit of the State.

We are aware that a change to our political constitution is needed, however, it does not mean that we should stop ensuring that it is respected.

The reason for the delay in filing a lawsuit regarding the unconstitutionality of these articles in the law, we still do not know, but it is never too late to correct errors and that is that there are still Panamanians who fight for rights in our country..

We are a young country, with only 120 years to go; We will continue to make mistakes, but along the way we will learn. We hope that our justice system continues to ensure respect for our constitution and echoes that decisions are made based on the improvement and well-being of our country. *L&E*

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FOUR TIMES VICE PRESIDENT OF PANAMA

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Without a doubt, CARLOS LAUREANO LÓPEZ TEJADA is considered one of the most distinguished and prominent Panamanian public figures of the 20th century. Proof of this is his trajectory and his impressive public life at the service of his country, Panama.

Born in the city of Las Tablas, Los Santos Province, on July 4, 1879, he died in Panama City, at the age of 65, on November 20, 1944. His parents were LISANDRO LUCIANO LÓPEZ ESPINAR and MARÍA VENTURA TEJADA PÉREZ. His father was a descendant of the remembered General Domingo Espinar, intimate collaborator and General Secretary of the Liberator Simón Bolívar. He did his first studies in his hometown and later continued at the University College of Panama, run by Doctor Antonio José de Irisarri, in Panama City.

Throughout his entire life he defended the principles of liberalism and within the context of the Thousand Days War he fought in the battle of

the Calidonia Bridge, from July 21 to 26, 1900 in the Department of Panama. This battle ended in a bloody defeat, where the Liberals lost approximately 700 men at the hands of the Conservative army.

His vocation for legal science, especially criminology, made him stand out as one of the most renowned criminal lawyers in the country.

His political career was no less than impressive, exercising and occupying several important public offices, namely:

- In 1912 he was appointed Attorney General of the Nation.
- In 1920 he was elected Councilman and President of the Municipal Council of the District of Panama, being chosen as the main speaker for the 17th Anniversary of the Separation of

Panama from Colombia on November 3, 1903. His important detailed dissertation justified the attitude assumed by the Cabildo of Panama and Panamanian people in their unwavering decision to assume for themselves the right to govern themselves freely through a sovereign entity and to appear in the role of independent nations of the world.

- For the period 1924-1928 he was elected Deputy of the National Assembly for the Province of Los Santos and he had to take the oath of rigor to the new President of the Republic, Rodolfo Chiari Robles, on October 1, 1924.

- President Rodolfo Chiari Robles appointed him as Secretary of Government and Justice (Minister) between 1924 and 1928. In his capacity as Secretary of Government and Justice (Minister), he had to lead, as Chief of Operations, a police force, together with the Secretary of Foreign Relations, Dr. Horacio Alfaro as Special Commissioner, to negotiate on behalf of the government of President Chiari with the indigenous representatives of the Guna Revolution, who had been incited by the American adventurer and instigator Richard Marsh to rebel against the government of Panama and declare independence, proclaiming the Republic of Tule. The peace agreement was signed on March 4, 1925 in the community of El Porvenir.

- Dr. Carlos Laureano López Tejada was also a Consultant Lawyer of the Nation, member of the Great Electoral Council, Commissioner on Special Mission to the Government of the United States of America, Secretary of the Superior Court, Prosecutor, Retirement Commissioner.

- On September 6, 1924, at the end of the third administration of Dr. Belisario Porras Barahona,

the National Assembly of Deputies, in exercise of its constitutional powers, elected the Designates (Vice Presidents) to the Presidency of the Republic for the biennium 1924 -1926, which corresponded to the first two years of the government of President Rodolfo Chiari Robles. When voting for First Appointee, with the vote of 37 deputies, Enrique A. Jiménez was elected, who concurrently served as President of the National Assembly; ten (10) deputies voted blank. Next, for the election of the Second Appointee, Deputy Carlos Laureano López was elected with 37 votes; Deputy Octavio A. Vallarino received one (1) vote and there were six (6) blank votes. For the election of Third Designate, Mr. Enrique Linares De Obaldía was elected with 33 votes in his favor; there was one (1) vote in favor of Deputy Conte and 10 blank votes.

- The second time that Dr. CARLOS LAUREANO LOPEZ TEJADA was elected Second Designate (Vice President) by the National Assembly was on September 7, 1926, for the period 1926-1928, these being the last two years of the presidential term of the President Rodolfo Chiari Robles. Mr. Tomás Gabriel Duque was elected as First Appointee with 34 votes in favor and nine (9) blank votes. Three deputies were absent from the vote. As Second Appointee, Dr. López was elected with 34 votes in favor, one (1) against and eight (8) blank votes. His son, Jacinto López, who was a member of the Assembly, voted in favor of Dr. Augusto A. Cervera. As Third Appointee, Don Enrique Linares De Obaldía was elected for this period.

- In the presidential elections of August 5, 1928, Engineer Florencio Harmodio Arosemena won the electoral victory as the only candidate for the presidency, since his opponent, Dr. Jorge E. Boyd, withdrew from the electoral contest. Engineer Florencio Harmodio Arosemena took

office on October 1, 1928. In the election of Appointees for the biennium 1928-1930 by the National Assembly of Deputies, Dr. Ricardo J. Alfaro was elected as First Appointee, Dr. CARLOS LAUREANO LOPEZ as Second Appointee and Dr. Eduardo Chiari Robles as Third Appointee.

- On October 1, 1930, the National Assembly of Deputies elected the Appointees to the Presidency of the Republic for the biennium 1930-1932. The vote of the deputies resulted in 34 votes to elect Mr. Tomás Gabriel Duque as First Designate by 42 votes, one (1) vote each for Deputy Joaquín M. Arias and Deputy Manuel Everardo Duque and there were two (2) votes in white. In the vote for Second Appointee there were several flawed votes, so in the vote the following day Dr. CARLOS LAUREANO LOPEZ TEJADA was elected as Second Appointee with 27 votes in favor, Mr. Alfredo Alemán obtained one (1) vote and there were two (2) blank votes. The election of the Third Designee fell on Don Enrique Linares De Obaldía, who obtained 34 votes in his favor; Dr. Luis de Roux obtained one (1) vote in favor.

- It was the third year of the presidential period of President Florencio Harmodio Arosemena (1928-1932) when, on January 2, 1931, the Communal Action Movement overthrew President Arosemena by executing the first coup d'état of the young Republic of Panama. The insurgents of Acción Comunal, as main actors in the coup, proposed Dr. Harmodio Arias Madrid as their successor because they didn't agree with the Designates. The US interference through its diplomatic representative ROY TASCOS DAVIS and with the acquiescence of Acción Comunal and the Supreme Court of Justice, sought to find a way out that would maintain the "constitutional order", and direct their attention towards the Appointed, who held the position of President

in the absence of the current president. The Appointees elected by the National Assembly of Deputies for the biennium 1930-1932, were the First Appointee Don Tomás Gabriel Duque; the Second Designee, Dr. CARLOS LAUREANO LOPEZ TEJADA; and the Third Designated Mr. Enrique Linares De Obaldía. The first two were objected to by the coup plotters and the third rejected the proposal. The situation is then referred to the Supreme Court of Justice, whose inconceivable action through a political decision and not in strict law, attending to the will of Acción Comunal, was to proclaim as unconstitutional the election of the Appointees for the biennium 1930-1932, worsening the tome by putting into effect the Appointees elected for the biennium 1928-1930, that is, First Appointee Dr. Ricardo J. Alfaro; Second Designee Dr. CARLOS LAUREANO LOPEZ; and Third Appointee Dr. Eduardo Chiari Robles. The Supreme Court of Justice approved that Dr. Ricardo J. Alfaro, Ambassador of Panama in Washington, assume the presidency but while Dr. Alfaro arrived in the country, Dr. CARLOS LAUREANO LOPEZ, as he was also the Second Designee, traveled to Colón to swear in as President before a Notary Public, however the Supreme Court of Justice annulled the move by Dr. LÓPEZ, who was seen as a political opponent of Acción Comunal. Given the non-recognition as President by the Supreme Court of Justice or the National Assembly, Dr. LÓPEZ took refuge in the Canal Zone. Thus, Dr. Ricardo J. Alfaro served as Charge of the Presidency of the Republic from January 16, 1931 to October 1, 1932. At the time of his appointment as Charge, Dr. Ricardo J. Alfaro held the position Ambassador of Panama in Washington and it took him 14 days to return to Panama. In those 14 days he held the Presidency of the Republic, as Secretary of Justice, Dr. Harmodio Arias Madrid, chosen by the cabinet, until January 16, when Dr.

Ricardo J. Alfaro, First Designated, took poses.

Dr. CARLOS LAUREANO LOPEZ TEJADA passed away while exercising his high position as President of the Supreme Court of Justice of Panama. The conspicuous and distinguished citizen was the one who has held the high position of Designated (Vice President of the Republic) the most times throughout our national history, in 1924-1926; 1926-1928; 1928-1930; 1930-1932. However, he never exercised or was in charge of the Executive Organ. *L&E*

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Panamanian ECONOMY

MONTHLY INDEX OF ECONOMIC ACTIVITY (IMAE): MARCH 2022

Source: GCRP

In March 2022, the Monthly Index of Economic Activity (IMAE) in the Republic registered a growth of 12.63%, compared to the same month of the previous year, according to preliminary information compiled by the National Institute of Statistics and Census (INEC).

It is important to point out that the figures are subject to revision; if there are changes, they will be published in a timely manner, on the institution's website, in the next publications of the indicator. The accumulated average IMAE for January - March 2022 showed an increase of 12.76%, compared to the same period in 2021.

The recovery of economic activity continues to manifest itself, after impact of health emergency caused by COVID-19. The good performance was observed in economic activities such as: Other community, social and personal service activities, Commerce, Construction, Hotels and restaurants, Transportation, storage and communications, Mining, Manufacturing industries, Financial intermediation, Public administration, Real estate activities, business and rental, agriculture and electricity and water.

On the contrary, the sectors that showed negative accumulated rates were: Private education

services, Private health services, Private households with domestic services and Fishing.

On a year-on-year basis (March 2022-21), among the activities that presented positive year-on-year variations were: Community activities, where the provision of entertainment and recreation services continued its dynamism, influenced by the increase in revenue from gross bets in gaming rooms of luck and chance, mainly, gaming tables in casinos and betting rooms for sporting events, type A slot machines and equestrian activities.

The commercial activity reflected a positive performance, due to its associated indicators, such as re-exports in metric tons from the Colon Free Zone, the sale of fuel for national consumption and wholesale and retail trade.

Construction associated with execution of public investments in infrastructure works and social housing projects, and the gradual reactivation of several private projects.

Services in hotels and restaurants maintained their levels, due to increased capacity in food and beverage outlets.

Transportation, storage and communications services as a whole showed a positive rate, influenced by telecommunications, air transportation and commercial movement in the Colon Free Zone. The Electricity and water category showed a slight increase, mainly in the generation of thermal electricity.

The exploitation of Mines and quarries also increased due to the extraction of copper minerals and their concentrates.

Manufacturing industrial production maintains a positive rate due to increases in some activities related to the production of food products, such as the production of pork and poultry. Likewise, alcoholic beverages such as beers, gin and other liquors.

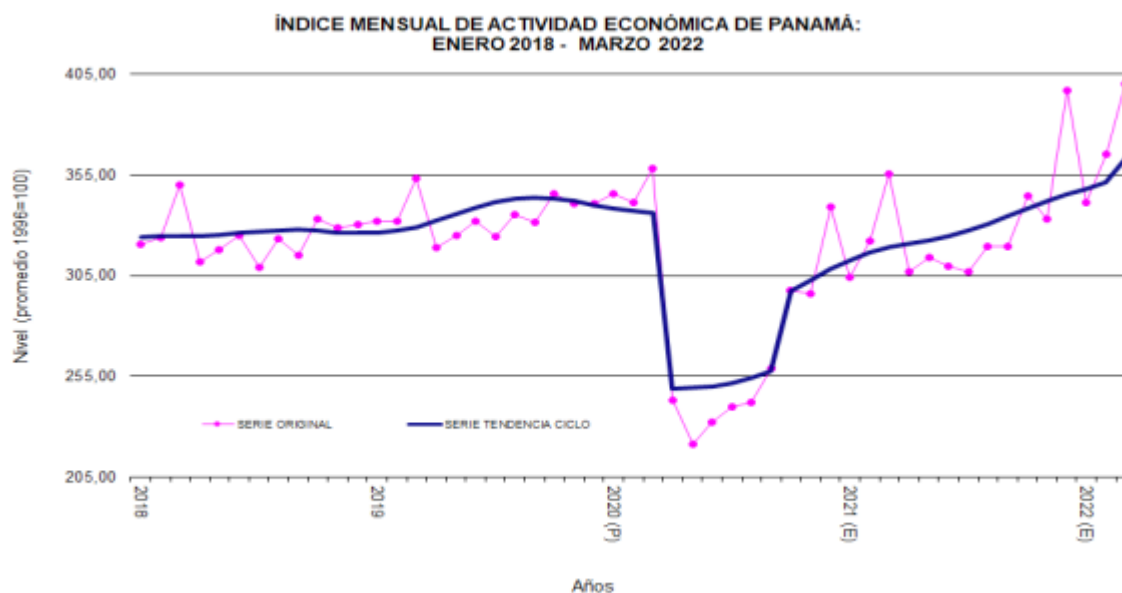
Financial intermediation registered positive levels in financial services and insurance activity.

The agricultural sector had a positive behavior in activities such as: The raising of pigs, poultry and the cultivation of bananas, pineapples and watermelons.

Other activities that improved their performance were: Private Homes with domestic services and Private Education.

Among the activities that showed negative rates in March, were: The fishing activity, due to the lower catch of fish and fillet for export; however, a greater capture of shrimp and other sea products was reflected.

Health services provided by the private sector. The health situation has imposed a challenge on the collection of statistical data that are the source for the elaboration of the IMAE and, in this sense, the INEC has made enormous efforts with the producers of these, to minimize the impact on quality of this index. *L&E*



MONTHLY INDEX OF ECONOMIC ACTIVITY (IMAE): MARCH 2022

Source: CGRP

1. Transportation:

a. Panama Canal Authority:

From January to March 2022, compared to the same period of the previous year, some activities of the Panama Canal continued with positive results, such as: the transit of ships, revenues from tolls and net tons with variations of 7.9%, 2.6% and 0.2%, respectively; on the contrary, cargo volume decreased by 1.5%. These growths are mainly due to the development of Panamax ships, which registered increases in transit of 13.2%, toll revenues of 8.5%, net tons of 6.3% and cargo volume of 2.9%. On the other hand, the Neopanamax presented a decrease in high-draft traffic 6.2%, net tons 4.8%, cargo volume 7.7% and revenues from tolls 1.7%.

b. National Port System:

The movement of total cargo through the National Port System decreased by 2.1%, due to the drop in the transfer of containerized cargo by 7.0%; however, the general increased by 30.5% and bulk 3.4%. Container movement decreased 4.6%.

c. Road corridors and passengers transported by the Metro and MiBus:

Mass passenger transportation made up of the Panama Metro and MiBus increased by 52.7% and 41.2%, respectively. Likewise, the capacity in the corridors increased by 28.7% and the income in 25.4%.

2. Foreign trade:

a. CIF value of imports of goods:

The CIF value of imports of goods rose by 50.7%, consumer goods by 49.4%, highlighting fuels, lubricants and related products 147.7%, capital goods and intermediate goods by 45.0% and 57.9%, respectively.

b. Net weight of imports of goods:

The net weight of imports of goods increased by 39.2%, consumption by 44.3%, capital by 25.8% and intermediate goods 35.7%.

c. FOB value of goods exports:

The FOB value of goods exports increased by 10.0%.

highlighting items such as: Shrimp 105.1%, unrefined sugar 95.2%, steel, copper and aluminum waste 32.1%, bananas 31.6%, pineapple 14.8% and copper minerals and its concentrates at 8.0%. However, these items showed a decrease: melon in 83.3% and wood in 5.8%.

d. Weight of goods exports:

The total weight of exports of goods presented a negative variation of 0.5%, mainly due to items, steel, copper and aluminum waste 5.1%, bananas 13.0%, copper minerals and their concentrates 6.4% and wood 13.1%. On the other hand, shrimp presented positive variations in 115.0%, unrefined sugar in 90.5%, other products 44.7%.

e. Colon Free Zone:

The value of trade in the Colon Free Zone registered an increase of 29.3%, mainly due to the value of CIF imports at 37.0% and FOB re-exports at 22.4%; likewise, the weight of trade in 19.3%.

3. Internal trade:

a. Sale of fuels for national consumption:

The sale of fuels for national consumption increased by 35.8%, gasoline (91 and 95 octane) 20.9%, low sulfur diesel 16.4%, bunker C 410.8% and liquefied petroleum gas by 6.2% and others 89.8%.

b. Shipment of marine fuel, according to coastline and terminal:

Negative variation was reported in the shipment of marine fuel, measured in thousands of net barrels, by 19.9%, with a decrease in the Pacific Coast of 20.8% and the Atlantic Coast 14.6%.

c. Sale of marine fuel, through barges and ships attended:

The sale of fuel, through barges, presented a negative rate of 1.5%, mainly due to a decrease in the Pacific Coast of 4.0%. However, it increased in the Atlantic Coast 15.6%. The total number of vessels served rose 6.3%.

d. New cars registered:

The registration of new cars in the Single Vehicle Registry reported a positive variation of 17.7%, specifically: Panels 82.9%, trucks 43.2%, SUVs 39.3%, minivans 21.2%, luxury 33.3% and regular 3.8%. However, pick ups were reduced by 19.6% and buses by 4.8%.

4. Construction:

a. Cost of constructions, additions and repairs registered by the municipalities in the Republic:

The total cost of constructions, additions and repairs presented a positive variation of 36.1%, district of Colón 306.5%; Arraiján 88.6%, the grouped: Aguadulce, David, Santiago, La Chorrera and Chitré at 49.5% and Panama 15.1%.

b. Construction area (m2) of the main municipalities in the Republic:

The construction area increased by 38.8%. The districts with the highest growth were:

Arraiján at 75.6%, the grouped ones: Aguadulce, Chitré, David, La Chorrera and Santiago at 69.5%, Panama 36.6%. However, a negative rate was registered in the district of Colón 81.2%. Residential works grew 42.0% and non-residential 23.5%.

c. Other indicators related to construction:

The production, sale and export of gray cement in metric tons for the period under study increased by 11.2%, 6.6% and 156.1% respectively; Similarly, the production of ready-mix concrete at 14.5%. On the other hand, imports of gray cement decreased in 96.5%.

5. Financial intermediation:

a. National Banking System:

The total assets of the National Banking System at the end of the period increased by 4.2%, of these, the total credit portfolio 6.8%; however, liquid assets fell 11.6%. Total deposits increased 1.5%.

b. Stock market indicators:

The volume traded by the total market of the Panama Stock Exchange (BVP) registered a negative variation of 8.2%, mainly due to the 31.9% secondary market. However, there was an increase in the repurchase market of 37.0% and the primary market of 2.9%. In the stock market, the number of shares fell by 55.3% and volume traded 15.7%. On the contrary, an increase in the BVP index was reported 6.8%.

c. Insurance:

The value of the total insurance premiums written reported a positive variation of 7.7%, of these: Personal accidents 79.7%, health 16.0%, other premiums 10.9%, automobiles 3.8%, other transportation 2.2%. On the other hand, negative variations were observed in surety bonds 11.7% and technical branches 5.5%, individual life 0.8%. claims grew 5.7%.

d. Movement of loans from the Agricultural

Development Bank The total loans approved by the Agricultural Development Bank showed negative variations of 66.7%, mainly fishing 84.0%, livestock 66.1% and agriculture in 32.3%.

6. Leisure activities:

a. Gross bets of operators of games of chance and lottery sales:

The report of the total gross bets of the Gaming Control Board registered a positive rate of 165.6%, as part of these: the gaming tables 251.4%, the slot machines type "A" in 168.3%, the racetrack 126.8% and halls betting on sporting events 93.6%. Gross sales of the National Charity Lottery grew by 160.6%.

b. Net bets of the operators of games of chance and lottery sales:

The total net bets registered by the Gaming Control Board increased by 153.7%, type "A" slot machines by 154.7%, gametables by 319.0%, bets on sporting events by 104.3% and the racetrack by 184.8%. Likewise, the net sales of the National Charity Lottery in 164.7%.

7. Electricity and water:

a. Electricity supply:

Electricity generation registered by the Commercial Measurement System (SMEC) increased 7.2%, with thermal generation standing out at 88.5%. For its part, the total renewable generation decreased by 24.5%, due to the fact that hydraulics fell by 39.5%, likewise, self-generation in 63.0%.

b. Destination of electricity:

Electricity billing increased by 7.9%, mainly due to higher demand from industrial customers by 19.3%, commercial customers by 16.2% and residential customers by 1.2%. Similarly, the consumption of generators in 433.1% and large customers 17.4%.

c. Water:

The billing of drinking water in thousands of gallons in the Republic showed an increase of 1.7%, of this, the commercial sector in 4.4%, residential 1.4% and industrial 1.0%.

8. Manufacturing industries:

For the mentioned period they showed increases: The slaughter of cattle in 8.0%, the pig 5.1%, also the production of chicken meat 6.9%, pasteurized milk 1.6%; the total production of alcoholic beverages in 12.0%, of these: Rum 7.5%, beer 12.8% and gin 12.3%; soft drinks 7.0%. Also, the production of rectified alcohol at 6.5%. In contrast, decreases were reported in the production of evaporated, condensed and powdered milk 29.7% and Seco in 15.6%.

9. Hotels and passenger entrance:

a. Hotels: (Pending).

b. Entry of travelers and their expenses: (Pending).

10. Public Sector Finance:

a. Current income of the Central Government:

The total current income of Central Government reported a positive variation of 28.8%, of these, tributary ones in 33.4%, highlighting direct ones 22.8%. Non-tax revenues grew by 18.3%. There was a negative variation in profits of state companies and contributions in 0.6%.

11. Other related:

a. Employment contracts registered in the Mitradel:

The total employment contracts registered in the Ministry of Labor and Labor Development (Mitradel) increased by 27.1%, at the central headquarters 103.6% and at the regional offices 23.7%; however, they reduced those processed virtually in 55.2%.

b. Horizontal and non-horizontal properties

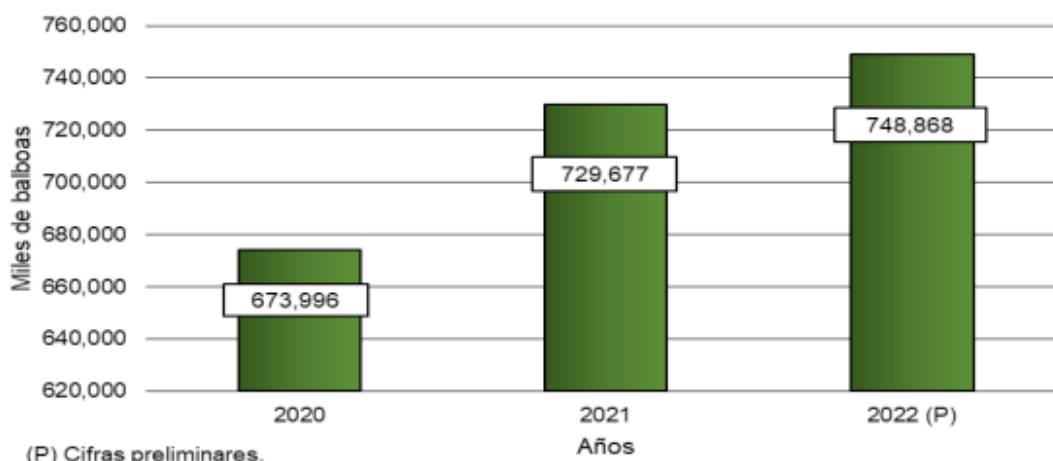
registered:

Total registered horizontal and non-horizontal properties increased by 21.5%. The registered horizontal properties increased in 34.2% of these, the transfers 43.2%; also non-horizontal at 18.7%, specifically, mortgages in 28.0%.

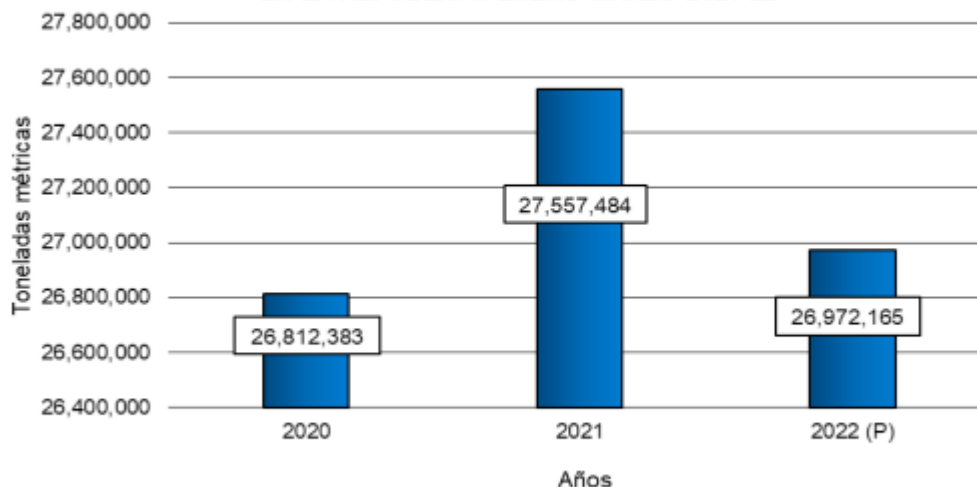
c. Public Limited Companies and Common Companies:

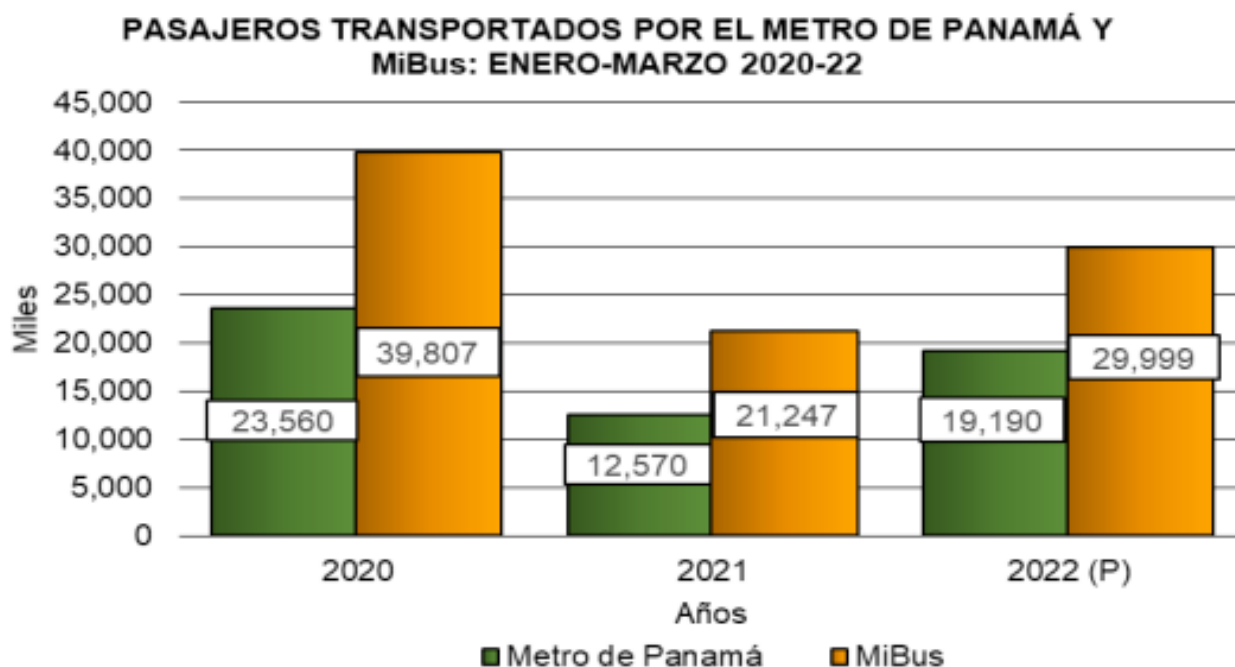
The total number of companies registered in the Public Registry increased by 0.7%, mainly due to the common ones 16.7% and the anonymous ones 0.3%. *L&E*

**INGRESOS TOTALES POR PEAJES DEL CANAL DE PANAMÁ:
ENERO-MARZO 2020-22**

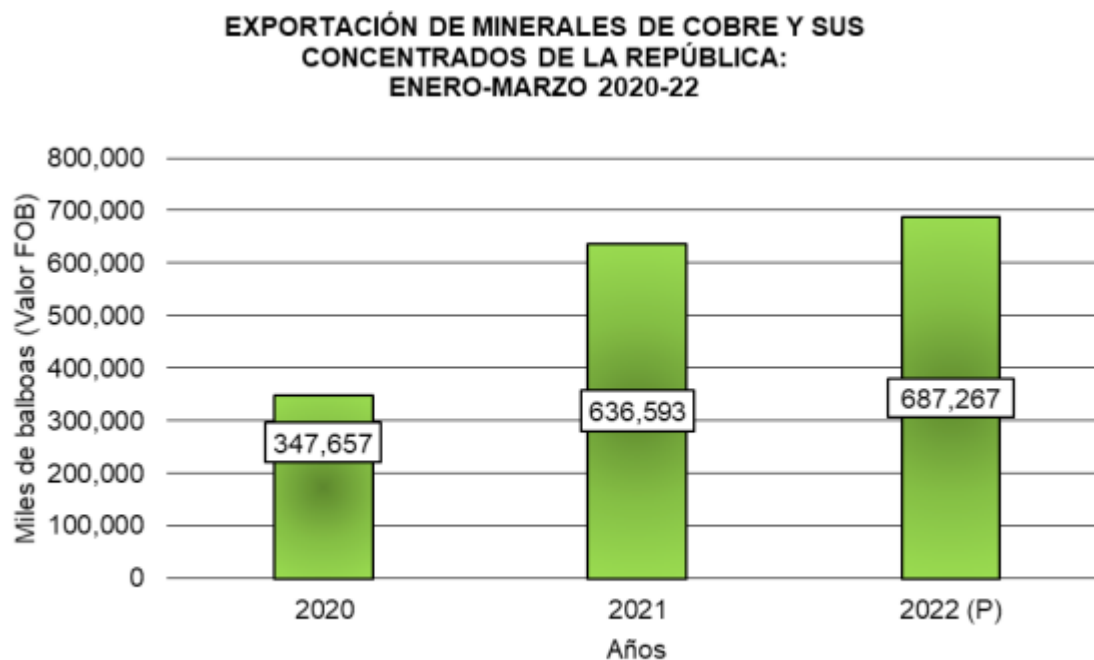


**MOVIMIENTO DE CARGA EN EL SISTEMA PORTUARIO NACIONAL
EN LA REPÚBLICA: ENERO-MARZO 2020-22**





(P) Cifras preliminares.



³) Cifras preliminares.

PANAMA AND THE IDB PROMOTE THE DIGITAL TRANSFORMATION OF PUBLIC SERVICES

Source: MEF

The Government of Panama and the Inter-American Development Bank (IDB) signed an operation for US\$60 million to promote the digital transformation of management and public services in the country.

The Minister of Economy and Finance of Panama, Héctor Alexander, and the President of the IDB, Mauricio Claver-Carone, signed the "Panamá Digital" loan contract, whose objective is to increase efficiency in the provision of procedures and services, taking into account the improvement of cybersecurity, data protection, the reduction of costs in interactions with the public administration, as well as adequate data management. The operation will also prioritize the most vulnerable populations, especially indigenous women.

During the signing ceremony, President Claver-Carone stated that "The IDB is fully committed to the digital transformation of Panama. This transformation towards a digital economy will contribute to the country's sustainable development, improve its competitiveness and help create more and better jobs".

The event was held after the bilateral meeting between President Claver-Carone and the President of Panama, Laurentino Cortizo, in which he reiterated

the IDB's interest in continuing to support Panama's economic growth, as well as strengthening its fiscal management and its insertion in regional value chains.

"Panamá Digital" continues the work started in 2016 through the "Panamá en Línea" operation, with which the IDB is supporting the country in making around 400 online procedures available to citizens and companies nationwide, including the vaccination record against COVID-19. Likewise, digital financial management tools were implemented in 68 municipalities to increase efficiency and transparency in the management of public resources.

For his part, Minister Alexander said: "This program has a significant impact on the economic development of the country, since it allows digitization of institutional and inter-institutional processing processes, in such a way that private sector can reduce time and costs of its procedures; both at level of companies, citizens and the State. On the other hand, the management of the Government through this digitization process achieves a better and faster recovery of income, since, by reducing processing times, it results in speeding up the collection of taxes, transparency and economic recovery and, on

the other hand, in improving the quality of spending”.

With the signing of this contract, the IDB will finance the design, construction and start-up of the Government Digital Innovation HUB headquarters, which will house the technical areas related to the process of digital transformation and cyber security.

In training of digital talent, IDB financing will support a pilot program for an ICT career plan, with a focus on gender and diversity in three public entities, as well as development of ICT skills focused on economic empowerment of indigenous women with adaptation potential. to other groups. The project will also finance mobile structures for training activities in skills, digital procedures and ICT skills with a gender perspective, to reach areas with a greater presence of vulnerable populations.

With these resources, improvements to the Single Citizen Portal will be implemented, integrating more public entities. In addition, support will be provided in the design and implementation of a National Data Strategy, and training in information and communication technologies (ICT), and in cybersecurity in public administration. *L&E*



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FOREIGN DIRECT INVESTMENT AND NEARSHORING

In recent days, the National Council of Private Enterprise held the Economic Reactivation Forum 2022 Realities, what to do? and how to deal with them?

Many topics were addressed during the Forum and on this occasion we share a summary of the analyzes and comments presented by Messrs. Carlos Garcimartín, Economist of the Inter-American Development Bank, Carmen Gisela Vergara, Executive Director of PROPANAMA, and Luis Frauca, President of the Union of Industrialists of Panama, referring to Foreign Direct Investment and Nearshoring. The economist Carlos Garcimartín begins his participation, responding to a question asked regarding:

What practices can Panama do to be as attractive as other countries and also which sectors at the national level are better prepared to receive this investment?

The IDB economist points out that, first of all, it should

be mentioned that, in the years prior to the Pandemic, Panama had been one of the most dynamic economies in the world, but a few years before the arrival of the Pandemic, its growth had been slowing down.

How did Panama change? Why was the economy affected? The variation was due to the balance between current account, which refers to what we owe to the rest of the world, and what the country receives as income. Panama today has a large current account balance deficit, having the second largest foreign debt in Latin America.

This debt can be financed through foreign direct investment, which would be a preferable mechanism to other financing alternatives for this external debt for various reasons, since it also helps us generate jobs and economic competition.

Panama before the pandemic was also the country that had the most foreign direct

investment, but it had also been decreasing. The good news is that Panama is well positioned in this area because it has a series of important assets such as its geographical position, its logistics hub, the dollar currency, and it has both economic and political stability.

The most important thing is how to reconcile the benefits of foreign direct investment with the current account balance.

Thanks to all these benefits that our country has, we could provide the NEARSHORING service, which consists of the mechanism by which a company transfers its business processes or technology to third parties in order to reduce costs in the provision of these services. from countries close to contracting country.

Panama can attract this NEARSHORING investment, but it must overcome certain challenges such as legal certainty, infrastructure, and knowledge gaps.

We have many things in our favor that we can exploit and improve.

What are the next plans for the 5 years for Panama to succeed

It is necessary to be proactive so that it is achieved since Panama has a series of important challenges, bureaucratic processes, gaps in terms of the skills required by companies, infrastructure or technical deficiencies in some sectors.

Some of these great challenges would be:

1. Facilitate bureaucratic processes.

2. Facilitate the process for paying taxes.

3. Another important lag is the educational system that exists, since this is an educational

gap on job preparation and the skills requested by foreign companies that we have today in the Panamanian educational system.

4. Panama is a banking center, but there are certain financing gaps for small and medium-sized companies, which should also be evaluated because supporting these businessmen or entrepreneurs would increase the export of products generated in our country.

Agricultural sector is another potential sector. It has been relaunched in this difficult time of the Pandemic and even so it has had a good run.

Another important sector is the tourism sector, one of the most affected, but this is a very valuable sector, Panama is beautiful and has a lot of tourism potential, not only is it about visiting the Panama Canal but also the provinces are highly requested by tourists and this would be of great help.

For her part, Carmen Gisela Vergara Executive Director PROPANAMA, He indicated that at the beginning of the 2019 government period, an investment and export strategy was developed, however, due to COVID 19, the entire strategy had to be remade because the world changed suddenly and this is forever.

The pandemic served to make certain conditions that had already been experiencing problems in Panama much more present and difficult.

An additional factor to the pandemic has affected the production chains due to what is happening in Europe, we have an increase in fuel, an increase in production.

This is why our country is very well positioned to be that collection and distribution center.

The purpose is for Panama to be a HUB of sustainable

investments for Latin America and the Caribbean so that the country wins and maintains this trend of sustainability, bringing companies to our country that generate sustainable products and services for us.

In turn, Luis Frauca – President of the Union of Industrialists of Panama (SIP), to answer the question asked:

What are the challenges and how do we overcome them?

Our challenge is job creation

There are a series of incentives to attract foreign investment, and we already have increases in exports, which we see as positive.

We have investments that are being planned to be installed in Panama, but we must have our people duly trained for these challenges. We have to start measuring productivity.

We must also mention the domestic added value, this is about products such as gluten-free, flavored sauces, and an internal value chain is created and it also helps to generate jobs as a result of creative industries. *L&E*





Banco Mundial

World ECONOMY

CARBON PRICES GENERATE A RECORDED \$84 BILLION IN REVENUE WORLDWIDE

Source: World Bank

Global revenue from carbon pricing rose nearly 60% in 2021 from 2020 levels to \$84,000; This is an important source of funds to help support a sustainable economic recovery, finance broader tax reforms, or invest in communities as part of the transition to a low-carbon future, according to the new edition of the World Bank's annual report. carbon pricing status and trends, released today.

The report, which presents the latest developments in carbon pricing around the world, concludes that there are currently 68 direct instruments for this task: 36 carbon taxes and 32 emission rights trading systems. Since the publication of the 2021 Carbon Pricing Status and Trends Report, four new carbon pricing instruments have been implemented: one in Uruguay and three in North America (Ontario, Oregon and New Brunswick). some of the countries that have announced plans to formulate new carbon pricing policies include Israel, Malaysia and Botswana.

Carbon prices reached record highs in many jurisdictions, including the European Union, California,

New Zealand, the Republic of Korea, Switzerland, and Canada.

However, the report notes that currently less than 4% of global emissions are covered by a direct carbon price in the range that will be needed in 2030 to achieve the Paris Agreement temperature target.

"Last year saw some very positive signs, such as a significant increase in income that can be invested in communities and support for the low-carbon transition. progress is also being made in resolving cross-border issues related to carbon pricing and the adoption of new rules for international carbon markets that were agreed at the 26th conference of the parties in Glasgow, helping to set guidelines clearer regulations," said Bernice Van Bronkhorst, Global Head of Climate Change at the World Bank. "It is now important to build on this momentum and increase both coverage and pricing levels to unlock the full potential of carbon pricing to support inclusive decarbonization".

Key topics covered in the 2022 report include

cross-border approaches to carbon pricing, challenges and opportunities from rising energy prices, and new technologies and management frameworks shaping markets of carbon.

The report was launched at Innovate4Climate, the World Bank Group's major annual event on climate finance, investment and markets, taking place virtually this year from May 24-26.

In its sixth year, the conference brings together leaders from government, business, policy groups and the financial sector to discuss innovative climate finance solutions. *L&E*



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INVESTING IN QUALITY EARLY CHILDHOOD EDUCATION IS ESSENTIAL TO COMBAT LEARNING POVERTY AND BUILD HUMAN CAPITAL

Source: World Bank

Younger children's learning has been hit hardest by COVID-19, especially in low-income countries, underscoring the need for actionable, evidence-based strategies to achieve early childhood education (PPE) of quality and on a large scale. The new volume of the World Bank's book, *Quality Early Learning: Nurturing Children's Potential*, released today, reviews the science of early learning and provides practical suggestions on fundamental elements and principles to provide quality PPE.

The publication brings together the work of leading multidisciplinary experts in the field of early learning to combat information on cost-effective practices to support children's early learning in low- and middle-income countries. The report emphasizes that young children have an enormous capacity to learn during the first years of life, a capacity that must be deliberately nurtured and harnessed. High-quality ECE can help children develop the cognitive and social-emotional skills, executive functions, and motivation that will enable them to succeed both in and out of school. Investments in ECE lay the foundations for generating the human capital needed to achieve individual well-

being and more equitable and prosperous societies. "Many countries now have a unique opportunity to implement policies and systems that allow them to provide quality and equitable ECE, progressively, thanks to increased access to this education," said Jaime Saavedra, Global Director of Education at the World Bank. "Getting it right from the start, both in the early years of children's lives and in the early stages of developing an ECE system, is easier and more efficient than filling gaps in foundational learning and correcting provision systems later".

The low level of access and quality of ECE exacerbates the global learning crisis. An estimated 53% of 10-year-olds in low- and middle-income countries are affected by learning poverty, meaning they cannot read or understand a short text.

The COVID-19 pandemic has only exacerbated the learning crisis, with learning poverty projected to rise to over 70%. As countries seek to build back better from the pandemic, even in the face of severe resource constraints, investments in quality PPE must be an integral part of national

plans to recapture and accelerate learning.

The report highlights three key points:

1. Expanding access to ECE must be balanced with efforts to ensure and improve quality. To ensure that investments in ECE lead to improved learning, the scale of ECE scale-up must not exceed the speed with which a minimum level of quality can be assured.

2. Investments that improve children's learning must be first in the order of priority. Key investments to increase quality in the classroom, such as improving the capacity of members of the workforce currently involved in ECE, adopting age-appropriate pedagogy, and ensuring safe and stimulating learning spaces, do not necessarily they have to be very expensive or complex to be effective.

3. Systems that deliver quality early learning at scale are built deliberately and progressively over time, through careful planning and multiple investments, both in the home environment and in other factors that affect early learning outside the home. from school, especially for the most disadvantaged children.

Saavedra also pointed out that "This is something urgent. If we hope to produce capable and confident students prepared to meet the challenges of the future, we must nurture the capacity of each of them through investments in early childhood education quality for everyone. There are already many three, four and five year olds waiting for their chance".*L&E*

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WHY—AND HOW—GEOECONOMIC FRAGMENTATION SHOULD BE FIGHTED

Source: FMI
Por: Kristalina Georgieva,
Gita Gopinath y Ceyla Pazarbasioglu

Policymakers and business leaders are heading to Davos at a time when the world economy is facing perhaps its greatest challenge since World War II.

The Russian invasion of Ukraine has added to the COVID-19 pandemic — crisis after crisis — and is devastating lives, slowing growth and driving up inflation. Food and energy shortages place a heavy burden on households around the world. The tightening of financial conditions is putting more pressure on heavily indebted countries, companies and households. Countries and companies alike are reassessing global supply chains amid persistent upheavals.

Add to this the sharp increase in volatility in financial markets and the continuing threat of climate change, and what we have before us is a potential confluence of calamities.

And our ability to respond is hampered by another

consequence of the war in Ukraine: a sharply increased risk of geoeconomic fragmentation.

How did we reach this crossroads? Over the past three decades, flows of capital, goods, services, and people have transformed our world, aided by the spread of new technologies and ideas. These forces of integration have raised productivity and living standards, tripling the size of the world economy and lifting 1.3 billion people out of extreme poverty.

But the success of integration has also brought with it complacency. Inequalities in income, wealth, and opportunity have continued to worsen within many countries for a long time, and between countries in more recent years. There are people who have been left behind as industries have evolved in the midst of global competition. And governments have found it difficult to help them.

Tensions over trade, technology standards, and security have been running high for many years, and this has been undermining growth as well as confidence in the current global economic system. Uncertainty around trade policies alone caused 2019 global gross domestic product to shrink by almost 1%, according to IMF studies. And since the start of the war in Ukraine, our observations indicate that around 30 countries have imposed restrictions on trade in food, energy and other important raw materials.

Further disintegration would carry enormous costs for all countries. And people at all income levels would be hurt, from well-paid professionals and middle-income export factory workers to low-paid workers who depend on food imports to survive. More people will set out on dangerous journeys in search of opportunities in other lands.

Consider the repercussions of reconfigured supply chains and the biggest barriers to investment. These could make it harder for developing countries to sell to the world's rich countries, gain expertise and accumulate wealth. Advanced economies would also have to pay more for the same products, fueling inflation. And productivity would decrease due to the ties that would be undone with partners with whom they currently co-innovate. According to estimates in IMF studies, technological fragmentation alone can cause losses of 5% of GDP in many countries.

Or consider the new transaction costs for individuals and businesses if countries were to develop disjointed and parallel payment systems to mitigate the risk of potential economic sanctions.

We are faced with a decision: Capitulate before the forces of geoeconomic fragmentation that will impoverish the world and attract more dangers. Or rethink the way we cooperate, to advance in the solution of these collective challenges.

Restoring Confidence in the Global System: Four Priorities.

In order to regain confidence in a rules-based global system that works well for all countries, we need to find new and better ways to weave our economic fabric. If we can focus attention first on urgent issues where progress will benefit everyone, then we can build the trust to cooperate on other areas where there are differences.

Here are four priorities that can only be advanced by working together.

The first, strengthen trade to increase resilience.

You can start by lowering trade barriers to alleviate shortages and lower the prices of food and other products.

Not only countries but also companies have to diversify imports, to secure supply chains and preserve the enormous advantages that companies bring from global integration. It is true that some of the decisions about the sources of supply will depend on geostrategic considerations, but this does not have to lead to disintegration. Business leaders have an important role to play in this regard.

According to new IMF research, diversification can halve potential GDP losses due to supply shocks. Automakers and other manufacturers have found that designing products that can use more widely available or replaceable parts can reduce waste by 80%.

Diversifying exports can also increase economic resilience. Some of the policies that can help include strengthening infrastructure to help companies shorten supply chains, expand broadband access and improve the business environment. The World Trade Organization (WTO)

can also help by promoting more predictable and transparent trade policies across the board..

The second is to redouble collective efforts to deal with the debt.

Since about 60% of low-income countries have significant debt vulnerabilities, some will have to restructure their debt. Without strong cooperation to alleviate these burdens, both these countries and their creditors will lose. A return to debt sustainability, by contrast, will attract new investment and stimulate inclusive growth.

It is for this reason that the Common Framework of the Group of Twenty for the treatment of debt must be approved without delay, which implies adopting clear procedures and timetables for debtors and creditors, and making the framework available to other highly vulnerable countries. indebted.

Third, modernize cross-border payments.

Inefficient payment systems are another barrier to inclusive growth. In the case of remittances, for example, the average cost of an international transfer is 6.3%. This means that some USD 45 billion per year falls into the hands of intermediaries and does not reach millions of lower-income households.

What would be a possible solution? Countries could work to create a global digital public platform—a new component of the payment infrastructure with clear rules—that allows everyone to send money at minimal cost, with absolute speed and security. The platform could also connect various forms of money, including central bank digital currencies.

Fourth, confront climate change: existential challenge that looms, above all.

At the COP26 climate conference, 130 countries,

representing more than 80% of global emissions, committed to reaching the goal of net zero carbon emissions by around mid-century.

But we urgently need to close the gap between goals and policies. To accelerate the green transition, the IMF has advocated for a comprehensive strategy that combines carbon pricing and investment in renewable energy, and compensates the parties that are harmed.

Progress for the people.

The fact is that we have all been very slow to react as our economic fabric began to unravel. But if countries can find ways to confront together these pressing issues that transcend national borders and affect us all, we can begin to combat fragmentation and promote cooperation. There are some hopeful signs.

When the pandemic began, governments took coordinated monetary and fiscal measures to prevent another Great Depression. International cooperation was crucial for the development of vaccines in record time. When it comes to global taxation, 137 countries agreed to reform to ensure that multinational companies pay their fair share no matter where they operate.

Last year, IMF member countries approved a historic allocation of \$650 billion in IMF Special Drawing Rights to shore up countries' reserves. And most recently, member countries agreed to create the Trust Fund for Resilience and Sustainability, which provides longer-term, affordable financing to help the most vulnerable member countries address climate change and future pandemics.

In pursuing these advances, we have to adhere to a basic guiding principle: policies must serve the people. Instead of globalizing profits, we must seek to localize the benefits of a connected world.



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A hand holds a smartphone displaying the Twitter login screen. The screen shows the Twitter logo, the text "Welcome to Twitter.", and the message "Get more from the world's largest public conversation." Below this are buttons for "Sign up" and "Log in". A large, semi-transparent blue Twitter logo is overlaid on the phone. In the background, a laptop screen displays the Twitter homepage, featuring the same "Welcome to Twitter." message and a search bar. The laptop screen also shows a profile picture and a tweet. The entire scene is set against a blurred background of a wooden table with a cup of coffee and a potted plant.

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ILO/UNICEF: SOCIAL PROTECTION HELPS TO REDUCE CHILD LABOR

Source: ILO / UNICEF

Social protection reduces poverty and the vulnerability of families, thus reducing the main factors that drive child labor, according to a new report from the United Nations Children's Fund (UNICEF) and the International Labor Organization (ILO).

The report, *The Role of Social Protection in Eliminating Child Labour: An Examination of the Evidence and Policy Implications* presents a series of studies since 2010 that show how social protection - by helping families cope with economic shocks or health - reduces child labor and facilitates schooling.

Yet little progress has been made in ensuring that all children enjoy social protection, the study says. Worldwide, 73.6%, or some 1.5 billion children between 0 and 14 years of age, do not receive any family or child cash benefits. This huge protection gap needs to be closed and closed quickly, the report says.

"There are many reasons to invest in universal social protection, but eliminating child labor has to be one of the most compelling, given its pernicious impact on children's rights and well-being," said Guy Ryder, director general of the ILO.

Governments can deploy a series of measures to

promote social protection. If policymakers do not act decisively, the COVID-19 pandemic, current conflicts, rising poverty and climate change will only increase the prevalence of child labour, the study says.

More than 160 million children worldwide - 1 in 10 children between the ages of 5 and 17 - are still working, and progress has stalled since 2016. These trends were present even before the COVID-19 crisis. Without mitigation strategies, it is estimated that the number of children in child labor could increase by 8.9 million by the end of 2022, largely due to rising poverty.

To strengthen social protection systems to prevent and eliminate child labour, the report makes a series of recommendations:

- **Close the social protection coverage gap for children. This means prioritizing child benefits, as well as extending social protection to the two billion workers in the informal economy, thereby supporting their transition from the informal to the formal economy.**

- **Build integrated social protection systems. Reducing child labor will be easier if countries have a social protection system that offers**

adequate benefits throughout the life cycle, from child and family benefits, maternity and unemployment benefits to retirement pensions, as well as health protection.

- Ensure that the design of social protection programs is inclusive and takes child labor into account. This will help maximize the reduction of child labor and requires:

- o Implement child and family benefits that reach all households with children, especially those in situations of greater vulnerability.

- o Make it easier for carers to receive their social protection benefits by simplifying registration procedures and offering different benefit payment mechanisms

- o Complement social protection programs with increased investment in quality universal basic education and other vital social services for children.

- Leverage the strong political commitment that already exists to end child labor and establish universal social protection to strengthen consensus for action. The Sustainable Development Agenda and the strong consensus agreed by the International Labor Conference in 2021, as well as the outcome of the Durban child labor conference, can help coordinate international initiatives.

- Promote investment in social protection systems as the engine of development. Almost all countries have the potential to mobilize domestic resources to progressively invest in strengthening their child social protection systems. *L&T*



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Capsule Environmental



XV WORLD FORESTRY CONGRESS, MAY 2-6

Narciso Cubas - Forestal Engineer
rbcweb@rbc.com.pa

The World Forestry Congress, regarded as one of the most influential forest-related events in the world, was first held in Rome in 1926, and subsequent meetings have generally been held every six years. It has been carried out under the auspices of the Food and Agriculture Organization of the United Nations (FAO) since 1954.

XV WFC met in Seoul, Republic of Korea, from May 2-6, 2022, with more than 15,000 participants from 146 countries representing governments and public agencies, international organizations, the private sector, academic and research institutions, non-governmental organizations (NGOs) and community and indigenous organizations. The meeting was held in a hybrid format, with 4,500 participants joining the meeting online.

Under the theme "Building a green, healthy and resilient future with forests", the Fifteenth Session of the World Forestry Congress (XV WFC) sought to define the role of forests in the 2030 Agenda for Sustainable Development and other important agreements, including the The Global Forest Goals,

the Paris Agreement on climate change, and the post-2020 global biodiversity framework. During the five-day meeting, participants addressed a wide range of topics, including: the United Nations Decade for Ecosystem Restoration; Forests for a Healthy, Prosperous and Peaceful World; and Sustainable Pathways to Build a Green, Healthy and Resilient Future.

Key events included: launch of the FAO State of World's Forests 2022 report; High Level Roundtable on Peace Forestry Initiative (PFI); the Ministerial Forum on Financing; the Ministerial Forum on Sustainable Wood; the Collaborative Partnership on Forests (CPF) Dialogue; two full-day forums, one on wildfires and one on private sector investment; the launch of the Mechanism Securing the Future of Forests with Comprehensive Risk Management (AFFIRM) for fire management; and the Sustaining an Abundance of Forest Ecosystems (SAFE) initiative. In addition, participants were invited to special events on investing in young forestry professionals and professional development; forests in a post-COVID world: and sustainable forests and green energy.

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Psychological Capsule

“WEIGHTLESS”: THE MOST RELAXING SONG IN THE WORLD

Claudia Cubas - Assistant
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UA group of scientists based at the Mind Lab Institution, an organization that performs neuroscience experiments, determined that the song “Weightless”, by the British band Marconi Union, generates sensations that no other achieves, in such a way that it was included in Time magazine within the 50 best inventions of 2011.

Music can control blood pressure and heart health, warns a study by the European Society of Cardiology. There are songs that can be as relaxing as tranquilizers,

it is advisable to exclude them from driving. Patients undergoing the University of Pennsylvania investigation were divided into two. While receiving anesthesia to numb part of their body before surgery, one group was given midazolam (a benzodiazepine used as an anxiolytic), while the other listened to Marconi Union's “Weightless” for three minutes.

The specialists monitored the heart rate, breathing and brain activity of 40 women who listened to different songs and found that “Weightless” produced 11% more relaxation than any other theme.



It is no coincidence: to compose this song, the British trio had the help of neurologists and therapists and the score was specifically designed so that “the melody, the rhythms and the basses help to lower the heart rate, reduce blood pressure and levels of cortisol, the stress hormone”, as explained by those responsible for the study. To do this, they timed the song at 60 beats per minute (BPM), which manages to reduce the heart rate to the level of the brain’s alpha waves.

According to Dr. David Lewis-Hodgson of Mindlab International, author of the research, the following song produced a greater state of relaxation than any other music tested to date. In fact, listening to this single song, “Weightless,” resulted in an astonishing 65% reduction in participants’ overall anxiety, and a 35% reduction in their usual physiological rates of rest. *L&E*

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Sometimes from listening to a phrase so much it becomes cliché and loses its depth, but it is still true. For example, "Live one day at a time", easy to say, a bit complicated to apply.

Thinking about the future generates anxiety, in the past, it stagnates you; so yes it is true, the only thing we truly have is the present.

We have to live the day, because it is the only thing we have to build habits, goals, achievements and talents. And we already know that the hardest part of any habit or goal is getting started. In the long run one realizes that it really is one day less that we don't work on ourselves. So make every day count. Collect emotions, anecdotes, moments, that's what life is about.

Soccer

Panama has already begun its participation in the Maurice Revello Tournament in its 48th edition, which takes place from May 29 to June 12.

In his first participation of the Panamanian eleventh, faced France on May 29, where he ended in a tie in regular time and won on penalties with a resounding 4-2 and thus adds two first points. Let's be attentive to the next matches against Argentina and Saudi Arabia.

Let's remember that in the Women's Soccer

TOURNOI MAURICE REVELLO
48^e ÉDITION - PROVENCE - Since 1967

GRUPO A

- FRANCIA
- ARGENTINA
- PANAMÁ
- ARABIA SAUDITA

FRANCIA VS PANAMÁ
DOMINGO 29 DE MAYO
ESTADIO LATIRE

PANAMÁ VS ARGENTINA
MIÉRCOLES 1 DE JUNIO
ESTADIO JULES LAPOINTE

ARABIA SAUDITA VS PANAMÁ
SÁBADO 4 DE JUNIO
ESTADIO LATIRE

Pre-World Cup, Panama is in group B, and this tournament is just around the corner. These meetings will take place in month of July, from 4 to 18.

This competition will provide berths for the 2023 FIFA Women's Cup, 2023 FWWC, 2024 Paris Olympics, as well as the inaugural W Concacaf Gold Cup, to be held in 2024.

On the other hand, we congratulate the winners



CONCACAF NATIONS LEAGUE:

LA LISTA VS COSTA RICA
SELECCIÓN MAYOR MASCULINA

Concacaf NATIONS LEAGUE

LUIS MEJIA	ORLANDO MOSQUERA	CÉSAR SAMUDIO	JIVANY RAMOS	FABIAN ESCOBAR	RODRIGUEZ MILLER
CÉSAR BLANCKMAN	MICHAEL A. MURILLO	ERIC DAVIS	SAMIR RAMÍREZ	CRISTIAN MARTÍNEZ	ALBERTO ZARACOLLA
ABRAEL RIVERA	ANDRÉS GONZÁLEZ	CÉSAR GARCÍA	FREDY GONZÁLEZ	JOSÉ LUIS RODRÍGUEZ	ALBERTO QUINTERO
ISMAEL DÍAZ	CÉSAR YANIS	ROLANDO BLACQUEM	CÉSAR WATERMAN	CAIDREY TORRES	BY THOMAS CHRISTIANSEN

Presentado por tigo

Concacaf 
CHAMPIONSHIP
OFFICIAL DRAW

GROUP A		GROUP B	
	United States A1		Canada B1
	Mexico A2		Costa Rica B2
	Jamaica A3		Panama B3
	Haiti A4		Trinidad & Tobago B4

of the 2022 Opening Tournament, who were Alianza Fútbol Club, after beating Sporting de San Miguelito 2-1 in the grand final.

In the same way, the Prom League reached the final, where in the last match, the winning team was UMECIT FC, after beating Mario Méndez FC in penalty shootouts, after they tied goalless in 120 minutes..

These are the ones selected to represent us in the



For this week of school vacations, from June 13 to 19, let us remember that the Association of Professional Soccer Players of Panama (AFUTPA) and the Argentine Soccer Association (AFA), have announced that the AFUTPA Camp will be held for the base development of soccer Panamanian with the support of renowned

Argentine institutions.

In other news, the Mayor's Office of Arraiján, through the Decentralization Funds Department, builds the first municipal court with minimum FIFA measures in the district of Veracruz with an investment of USD 405,000.00.



Basketball

The Panamanian Basketball League U21 and the Panamanian Women's Basketball League U16 are closing a series, where the Grand Final of the LPBF U16 and LPB U21 to the best of three are scheduled to start from this Wednesday June 1 at 6 :30 p.m., with the first meeting between the Correcaminos de Colón and Club Deportivo Panteras; and at the closing of the day at 8:30 p.m., the Correcaminos de Colón will face the current champions Toros de Chiriquí. The second match of the final series will be played at the same time on Friday the 3rd and if a third and decisive match is necessary, it will be held on Sunday, June 5 at the Los Andes 2 Sports Complex. All the games are broadcast live on the YouTube channel of the

Panamanian Basketball Federation (FEPABA).

In the same way, the Centrobasket U15, COCABA U16 is approaching with a preparatory tournament that will be from July 25 to 31 in Panama, both for men and women.

The Sub 19 is not far behind, since it is also preparing for the XIX Bolivarian Games, in Valledupar, Colombia, from June 24 to July 5.

And our senior team, which is in the pre-selection, is preparing for the COCABA Senior Women's Tournament that will take place in Chihuahua, Mexico from July 13

to 18.

What is about to start is the Panabasket, which will take place from June 13 to August 13, made up of university players in the men's branch.

A Try out or Test Camp will be held this June 4 at the Parque Andrés Bello basketball court in Vía Argentina

from 4:00 pm for all those university students who wish to participate. The final selection or pique will be held on June 11.

Participating teams: Varsity Demons, Undergrads Crabs, Coyotes U, Howard EAL Jets, Estudiantes T.M., and CES Community College.

III SOUTH AMERICAN YOUTH GAMES

Panama closed the III South American Youth Games Rosario 2022 with 8 medals.

The swimmer Emily Santos won 1 gold and 2 silver medals; in fencing, Isaac Dorati also achieved 1 gold

medal; boxer Xiomara Santamaría, a debatable silver medal; also the Greco-Roman wrestler Samir Marciaga, reached silver; while Yusneiry Agrazal in wrestling and Edgardo Pastor in Taekwondo, were bronze medalists.

Surf

The 2022 Pan American Surfing Games will be held from August 5 to 13 on national soil, in Pedasí and Playa Venao.

Baseball

This is the position table at the close of the day on May 30 in the 79th National Major Baseball Championship, Pandeportes Cup 2022 as you can see in the table:

		JJ	JG	JP	PROM
1	FERRERA	09	08	01	0.889
2	Godoy	09	07	02	0.778
	Mepo	09	07	02	0.778
4	Boreas	09	06	03	0.667
	Glenn	09	06	03	0.667
6	Chiriquí	09	05	04	0.556
	Bo Santa	09	04	05	0.445
7	CHIRIQUÍ	09	04	05	0.445
	CHIRIQUÍ	09	04	05	0.445
10	Veraguas	09	03	06	0.333
	Veraguas	09	03	06	0.333
11	Veraguas	09	00	09	0.000
	Panama	09	00	09	0.000

And in the Sub 15 Preworld Championship, Preworld Championship to take place in Venezuela between

June 3 and 12 with two groups, 9 teams; Panama already has its team. *L&E*



Agenda Cultural

Por: Mariela de Sanjur
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THEATER

- Pacific Theater: tickets in panatickets.com and <https://teatropacific.net>
 - o Los Bonobos from June 1 to 30.
 - o Poli: Jungle storytelling from June 4 to July 10.
 - o Magical Benjamin Eisenman on Tuesday, June 21.
 - o Love us, Kill us or Accept us on June 25.
- ABBA Theater: tickets in panatickets.com
 - o Past, stepped on until June 19.
 - o Charm Sundays in June.
- La Plaza Theater: tickets in 6258-3964 and panatickets.com
 - o El Zorro until June 12.
- National Theater: tickets in panatickets.com
 - o "On your Feet!" the story of Gloria and Emilio Estefan from June 6 to 20.
 - o The Folklore Experience with the Compañía Nacional de Danzas Folklóricas on June 21 and 22.
 - o "De Mangos y Apricots" on June 25 and 26.

Theater Digital Billboard: Tickets 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"

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

- o "House in order"
- o "# My Domestic Life"
- o "No Forgiveness for Sins"
- o "Halloween with Polibanda and Puppets"
- o "Christmas Storytelling"
- o Livestream: "Artists by Artists 2021"

Virtual billboard of La Estación Theater:

- o Toxic Idyll, reservations: <https://forms.gle/5xdZP5BP5jcCoH7M8>

MUSEUMS

- MAC: Whastapp 6598-0014
- o Exhibition "Storing seeds in the hair".

ACTIVITIES, CONCERTS AND PARADES

- Exhibition: Can Tech save the world? In the Plaza of the City of Knowledge from May 11 to June 10.
- XVI Alfredo De Saint Malo International Music Festival (ASMF) from June 22 to July 3, 2022.
- EXMA LIVE/FIGITAL SUMMIT PANAMA, June 22 and 23 at the Panama Convention Center tickets at panatickets.com
- Paloma San Basilio "I tell you with music" at the Anayansi Theater in ATLAPA on June 16.
- Karol G "Bichota Tour" at Plaza Amador in Figali on June 18.
- Erika Ender in Concert, Anayansi Theater, ATLAPA on June 30.
- Latin Auto Parts Expo 2022 at the Panama Convention Center from June 29 to July 1.

FAIRS

- Feast of Corpus Christi in Villa de Los Santos from June 11 to 26.
 - o Saturday, June 11, 2022, at noon, the diablada leaves the Simón Bolívar park, exploding rockets as it passes, that is why they are known as "encueta'os devils."
 - o Wednesday June 15, 2022 is "Corpus Christi Eve". At 12:00 p.m. The devil comes out, announcing cracking of the sun. There are dances, music and cultural events throughout the day and part of the night.
 - o On Thursday, June 16 (Corpus Day) from the morning local traditional dances converge with dances from other American countries, which are a show of honor to the Blessed Sacrament of the Altar, there is a Solemn Eucharist, with the participation of ancestral dances, Procession of the Blessed Sacrament with Floral Carpets in its streets.
 - o Thursday, June 23, 2022, at 4:00 p.m. (Eighth Corpus Christi).
 - o Friday, June 24, 2022, at 5:00 p.m. (Day of the

Heart of Jesus).

- o Saturday June 25, 2022 from 10:00 a.m. (Day dedicated to Tourism), and from 3:00 p.m. "Walk of National and International Dances" is held.
- o Sunday, June 26, 2022, from 4:00 p.m. day dedicated to the santeña woman.
- Feast of Corpus Christi in Parita from June 15 to 26.

IMPORTANT DATES

- June 1: National Recycler's Day
- June 5: National Environment Day
- June 8: World Oceans Day
- June 12: World Day Against Child Labor
- June 13: Radio and TV Day
- June 13: Saint Anthony of Padua
- June 13: Physicist's Day in Panama
- June 14: Announcer's Day
- June 14: World Blood Donor Day
- June 16: National day of the troubadour and poet of the Panamanian décima
- June 17: World Day to Combat Desertification and Drought
- June 19: Father's Day
- June 20: World Refugee Day
- June 21: Music Day
- June 21: Summer Solstice
- June 24: Saint John the Baptist
- June 26: International Day of Tropical Forests
- June 29: Saint Peter and Saint Paul Apostles. *L&T*



Alianzas alrededor del Mundo

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

Guevara & Gutiérrez S. C. Servicios Legales- BOLIVIA

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