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# Legislación Economía

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**Editorial  
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José Javier Rivera  
Francisco Bustamante  
Giovana del C. Miranda Garzola  
Casilda Quiróz  
Lidia Domínguez  
Rafael Fernández Lara  
Narciso Cubas  
Claudia Cubas  
Ivana Herrera  
Mariela de Sanjur

José Javier Rivera J.  
Giovana del C. Miranda G.

Design & Layout:  
Gabriela Melgar

**R♦B♦C**  
Rivera • Bolívar • Castañedas  
**ATTORNEYS AT LAW**



Rivera Bolívar y Castañedas



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José Javier Rivera - Partner  
jj.rivera@rbc.com.pa

# Editorial

## The country is adrift

For more than a month the country has been in a limbo in relation to the table that was installed in Penonomé to discuss a series of petitions presented by groups of workers, educators and members of native communities that stormed the streets of the provinces of Chiriquí, Veraguas, Coclé, East and West Panama, affecting workers, students, patients, merchants, producers, without any intervention by the police authorities or other security forces.

The Catholic Church, which initially called itself the facilitator, acted as a kind of moderator and publicly, with the archbishop's spokesperson, stated that this dialogue would have to be between the popular sectors and the government and ipso facto excluded the productive sectors, even when Representatives of the different segments of micro and small businesses appeared directly at this forum in Penonomé to express their intention to participate in this table.

The list of demands is extensive but the most relevant refer to freezing of fuel prices, the basic basket, medicines, including a reduction in margins;

as well as electricity, the creation of state-owned stores in different communities and has led to structural issues such as the future of the Social Security Fund and the fight against corruption.

The national government has been represented by a plural number of entities that have generated administrative acts such as decrees, resolutions and intimidating actions against the economic agents that are dedicated to the commercialization of these products without even making the minimum consultations or explaining to the country how they should finance this new load of subsidies that go against the realities that the world is facing derived from the war between Russia and Ukraine and the measures established by Europe and the United States against Russia.

At this time we are witnessing great uncertainty because the business sector does not know what the roadmap is, while citizens have lost confidence in what the course will be on issues such as employment, the profitability of their companies, how this situation will affect the work environment and what is the period in

which the social and economic situation will be defined.

At the same time, a State budget project has been presented for the year 2023 that does not contemplate large-scale aspects such as, for example, what is the cost that the State will have to assume to meet the new requirements of educators, subsidies, general reduction in fuel prices, the new contributions to face the growing deficit of the Social Security Fund and the payment of capital and interest on the public debt that has increased in the last three years. Incidentally, it is not a budget per project and it does not meet the parameters of an open budget, so that all citizens can understand where the income comes from and how it should be invested to improve the quality of life and attract local investment. and foreign.

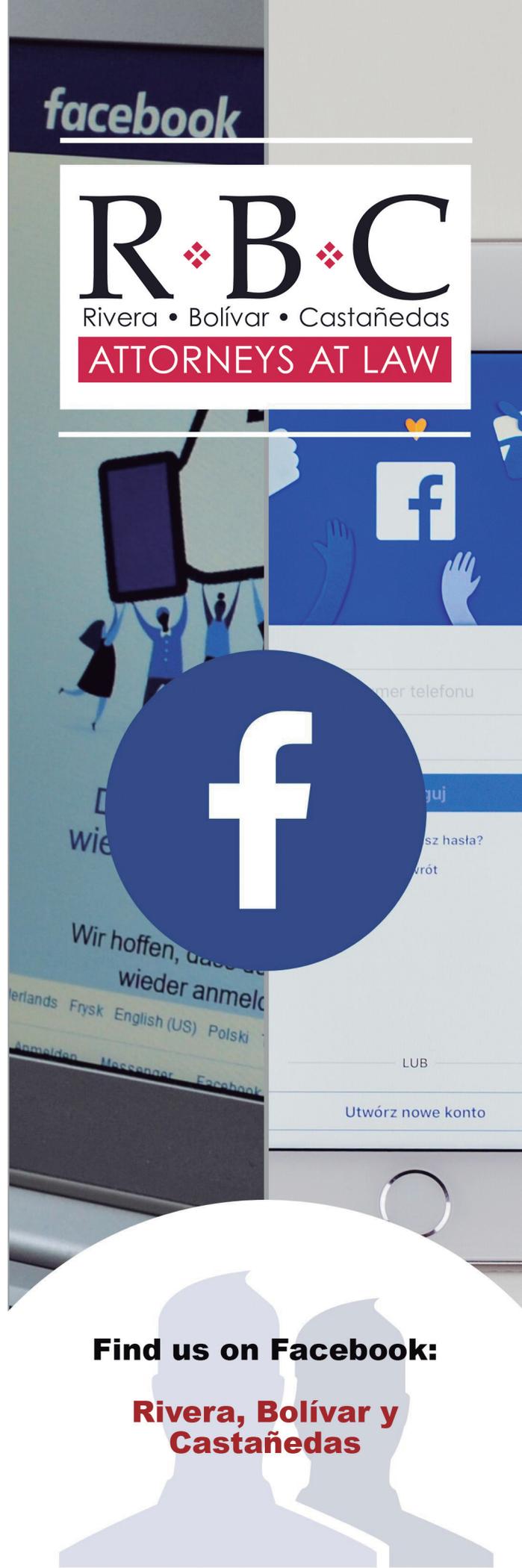
Much less has the executive body deigned to heed the call made by the great alliance for Panama regarding a plan to reactivate the economy that meets the needs of micro and small businesses and that reviews the devastating effects that the regulation of freezing of prices for those producers, pharmacy owners, grocery store owners and mini-supermarkets that have stopped selling products because their costs and expenses exceed the prices that have been arbitrarily set by the State.

Time is our worst enemy and in the different forums in which this problem has been addressed, the presence of the Executive has been required and this has been conspicuous by its absence.

The responsibility of the leaders is on trial at this time, since heroic measures must be taken to reduce public operating expenses, give priority to investment that generates employment, foster a climate of peace in the country and restore confidence to citizens.

The only light at the end of the tunnel is recent approval of Conflict of Interest Law.

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



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# Invited Writer



## SOCIAL SECURITY IN PANAMA, AN ALTERNATIVE PROPOSAL

Francisco Bustamante  
rbcweb@rbc.com.pa

**T**he brief note that we present, doesn't pretend in any way, to establish a finished proposal for the attention of the issues of the Social Security Fund. It tries to draw attention to the larger issue, which is how the Republic of Panama attends to Social Security, of which the Caja is just a means, and not the final objective of the relevant public policies. Hopefully it will serve as a basis to stimulate the authorities and citizens to a constructive Dialogue in the search for solutions that transcend the governments that are transitory, but not the Republic.

### INTRODUCTION

With good reason, citizens have been complaining for years about the unsatisfactory quality of medical care received, as well as the amounts of pensions covered by Social Security. Likewise, the slowness of the Caja de Seguro Social institution, in responding in a timely manner to the claims of its contributors and beneficiaries.

Different administrations have tried, without success, to solve the indicated problems. The solution is not

easy, but insisting on solving the problems applying the same solutions, as has been said, and expecting to obtain different results, is doomed to failure.

In our opinion we are focused on specific, concrete areas of things that do not work, but we lose the overall vision. It is not that there are inefficient services. I understand that the model adopted is inefficient.

There is the possibility, convenience and opportunity to explore new options. I believe that we must analyze the totality of the Social Security problem, not its parts.

In these very brief notes we present some background information, the current financial situation of the Caja, and without going into details on how to resolve specific situations, we suggest a different model, which will require hard, dedicated, detailed work and which, if adopted, will undoubtedly take more of a period of government or administration, for its implementation.

### EXECUTIVE SUMMARY

There is an international, constitutional and legal framework that establishes the responsibility of the Panamanian State to provide social security to its population, in terms of health, care for children, adults, pensions in old age or for other reasons.

The Nation has provided this service since 1941 mainly through the Social Security Fund, to the insured working population, as well as their dependents, and through the Ministry of Health to the uninsured population. In relative terms, taking into account workers and their beneficiaries, the Fund serves more than 80% of the Panamanian population.

The Fund is managed by Risks, as established by its current Organic Law 51: (a) Administration, (b) Health, (c) Pensions, and (d) Professional Risks.

According to the latest balance sheet, between December 3, 2019 and 2020, the consolidated balance of Risk reserves went from B/. 9,236.8 million to B/. 9,162.5 million, which shows a consolidated decrease of B/. 74.3 million.

The Management Risk indicates a decrease of B/. 205.8 million, mainly caused by the transfer of B/. 257.9 million that had to be made to IVM SEBD.

Program or Health Risk, I and M Program, (Illness and Maternity), reflects in year 2020 a deficit between income and current expenses of the order of B/. 25.5 million, which casts a warning light on the future of this relevant subprogram in health care.

The IVM SEBD Risk shows a total decrease of B/. 297.5 million. The SEBD subprogram had been showing deficits consistently since 2018 when it was B/. 41 million; in 2019 of B/. 249.9 million. The same that were absorbed by the reserves of the Bank and the replacement was processed and obtained by the Trust that exists in the National Bank to cover this type of situation. In short, the situation of the IVM SEBD, which due to its structure in which it has fewer and fewer contributors and more beneficiaries, for which it inevitably falls into a deficit, worsened as expected. The Mixed IVM

with individual capitalization maintained its financial health. However, the programs that were aggravated by the drop in income were Health, I and M Program, (Illness and Maternity) and Professional Risks.

A re-engineering of programs is clearly required in order to achieve their financial health while improving quality of the services provided, both in health and pensions. All existing pension laws and programs in the early years of the Republic were replaced by Law 23 of 1941, in which beneficiaries, spouses and minor children, would have to contribute family insurance in addition to the worker-employer quota. Given that the current model, despite various initiatives, has not improved, we suggest a different model with which we consider a solution could be explored, and it is summarized in (a) a regulatory entity, (b) a universal health system, (c) a joint drug company, and (d) a financial management company for the Caja's reserves.

ENTIDAD REGULADORA			
EMPRESA NACIONAL DE MEDICAMENTOS S.A.		SISTEMA UNIVERSAL DE SALUD	SERVICIOS FINANCIEROS Y ATENCION ASEGURADOS
INVENTARIOS		CENTRO DE SALUD	PENSIONES
COMPRAS		POLICLINICAS	BANCO
ALMACENES		HOSPITALES	

## 1. LEGAL FRAMEWORK

### International Labor Organization, ILO

“Social security is the protection that a society provides to individuals and households to ensure access to medical care and guarantee income security, particularly in the event of old age, unemployment, illness, disability, work accidents, maternity or loss of breadwinner<sup>1</sup>”.

### Additional Protocol to the American Convention on Human Rights in the Area of Economic, Social and Cultural Rights “PROTOCOL OF SAN

<sup>1</sup> [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_067592.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_067592.pdf)

**SALVADOR" (November 17, 1988)**

Article 9 Right to Social Security 1. Every person has the right to social security that protects them against the consequences of old age and disability that makes it physically or mentally impossible to obtain the means to lead a dignified and decent life. In case of death of the beneficiary, social security benefits will be applied to his dependents. 2. In the case of people who are working, the right to social security will cover at least medical care and subsidy or retirement in cases of accidents at work or occupational disease and, in the case of women, paid leave for maternity before and after childbirth.

Political Constitution of the Republic of Panama. Title III Individual and Social Rights and Duties, Chapter 6, Health, Social Security and Social Assistance.

ARTICLE 109. It is an essential function of the State to ensure the health of the population. The individual, as part of the community, has the right to the promotion, protection, conservation, restitution and rehabilitation of health and the obligation to preserve it, understood as complete physical, mental and social well-being.

ARTICLE 111. The State must develop a national medicine policy that promotes the production, availability, accessibility, quality and control of medicines for the entire population of the country.

ARTICLE 113. Every individual has the right to the security of their economic means of subsistence in case of inability to work or obtain paid work. Social security services will be provided or administered by autonomous entities and will cover cases of illness, maternity, disability, family subsidies, old age, widowhood, orphanhood, forced unemployment, accidents at work, professional illnesses and other contingencies that may be subject to social security and social security. The Law will provide for the implementation of such services as needed.

The State will create establishments of assistance and social security. Their fundamental tasks are economic and social rehabilitation of dependent or underprivileged sectors and care of mentally incapable, chronically ill, the indigent invalids and groups that have not been incorporated into the social security system.

ARTICLE 114. The State may create complementary funds with the contribution and participation of the workers of public and private companies in order to improve social security services in terms of retirement. The Law will regulate this matter.

Clearly, it is evident that there is a specific legal body, both in International Law and in the national Constitutional Framework, for which it is unavoidable for the Panamanian State to comply with these provisions.

**2. INSTITUTIONS OR MEDIA<sup>2</sup>**

The Social Security Fund was founded with Law 23 of March 21, 1941, which came into force on March 31 of the same year. However, there were other social security institutes before. Indeed, a brief summary indicates that in 1924 there was a retirement plan for telegraph operators; in 1926 for postal officials, National Bank and Santo Tomás Hospital. In 1930, a law 78 was created for protection of teachers.

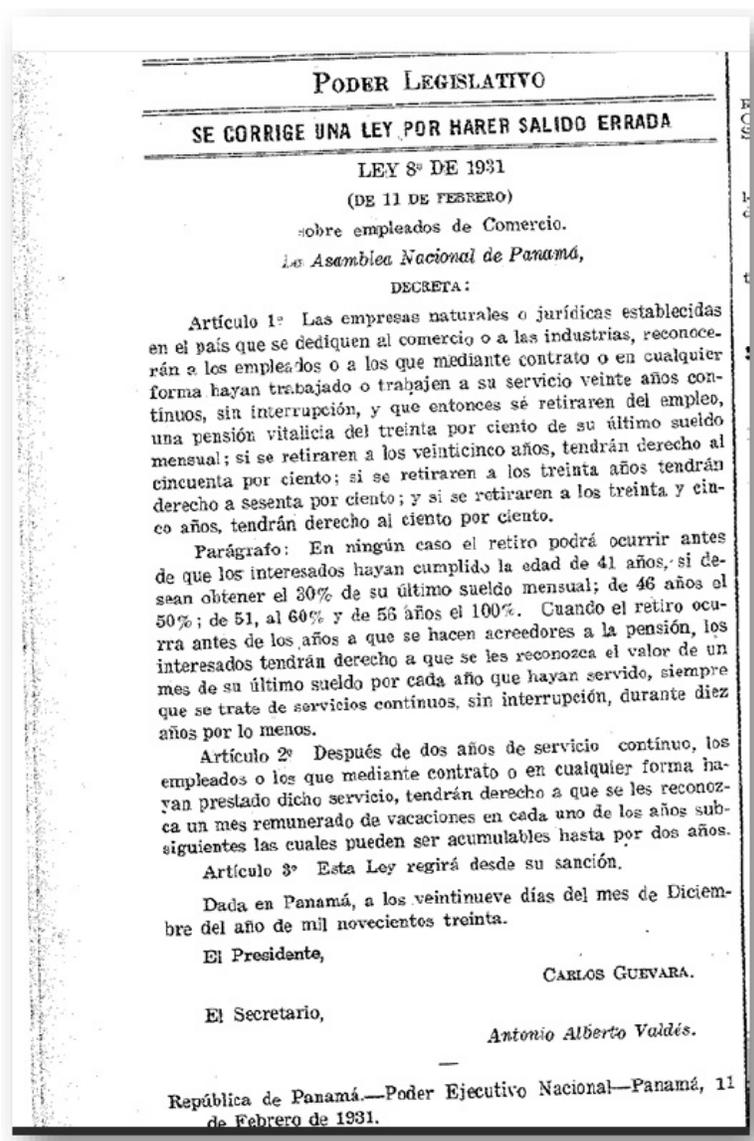
Law 8 of 1931 that creates the pension system for employees of the commercial sector, non-contributory, in charge of private companies, as can be seen below:

With Law 7a. of 1935, the right to retirement was established for all public employees based on their contributions, and a contribution from the State, and a uniform system of benefits was established for all public employees.<sup>3</sup>

Law 23 of March 21, 1941, creates Social Security Fund with a system applicable only in Districts of Panama and Colon, establishes obligation to

<sup>2</sup> <https://w3.css.gob.pa/historia/>

<sup>3</sup> *Ibidem*



contribute to public and private employees; provides self-employed health and retirement services.<sup>4</sup>

The pension systems, in particular the special retirement laws for teachers, guards, telegraph operators, etc., were not based on a contributory basis, and depended on the availability of funds from the state budget, for which the payment of benefits wasn't guaranteed. agreed.

Likewise, the provisions that contemplated pensions for employees in the commerce sector in Law 8 of 1931, charged to the employing companies, did not offer a greater guarantee either,

since dismissal before completing the required years of service or declaration of insolvency, the resources to pay the benefits weren't constituted.

Law 23 of March 1941 differentiates between mandatory and voluntary insured, as well as between independent voluntary insured and workers' dependents, who must pay an additional fee to be beneficiaries. Article 4 establishes that the Caja will hire actuaries to carry out the necessary studies for compliance with the Law. Article 46 reaffirms this authorization, for the purpose of "...the review of the economic forecasts of the system adopted by the Caja de Social Security...". The aforementioned Law

<sup>4</sup> <https://xdoc.mx/preview/resea-historica-de-la-seguridad-social-en-panama-606fd39fb7563>

doesn't establish the retirement ages or the density of quotas necessary to benefit from a pension.

Likewise, Law 23 in its Article 14 establishes a premium of 5% of the payroll, to be paid in equal parts by employer and worker; a 1% tax on the production of alcoholic beverages, with variants for beer, and a 5% tax on gross income from publication advertising, and 2.5% on radio advertising, among other income established by law.

The Law recognizes the rights of previously existing pension programs; establishes that the General Manager must post a bond of B/. 25,000.00. It also constitutes a Board of Directors formed by the Minister of Finance and Treasury who will chair it, the Manager of the National Bank of Panama and 3 directors appointed by the Executive Power.

Law 51 of 2005 reorganizes the Social Security Fund and introduces the division of the pension program known as Disability and Death, IVM, into two sub-programs:

a) an Exclusive Defined Benefit System subprogram, SEBD, which establishes retirement age parameters of 62 years for men and 57 years for women; a density of quotas of 20 years and a pension equivalent to 60% of the best 10 years of reported salaries. To retire with the pension, age 62 for men and 57 for women; the pension is equivalent to 60% of

the average of the 10 best years of quoted wages;

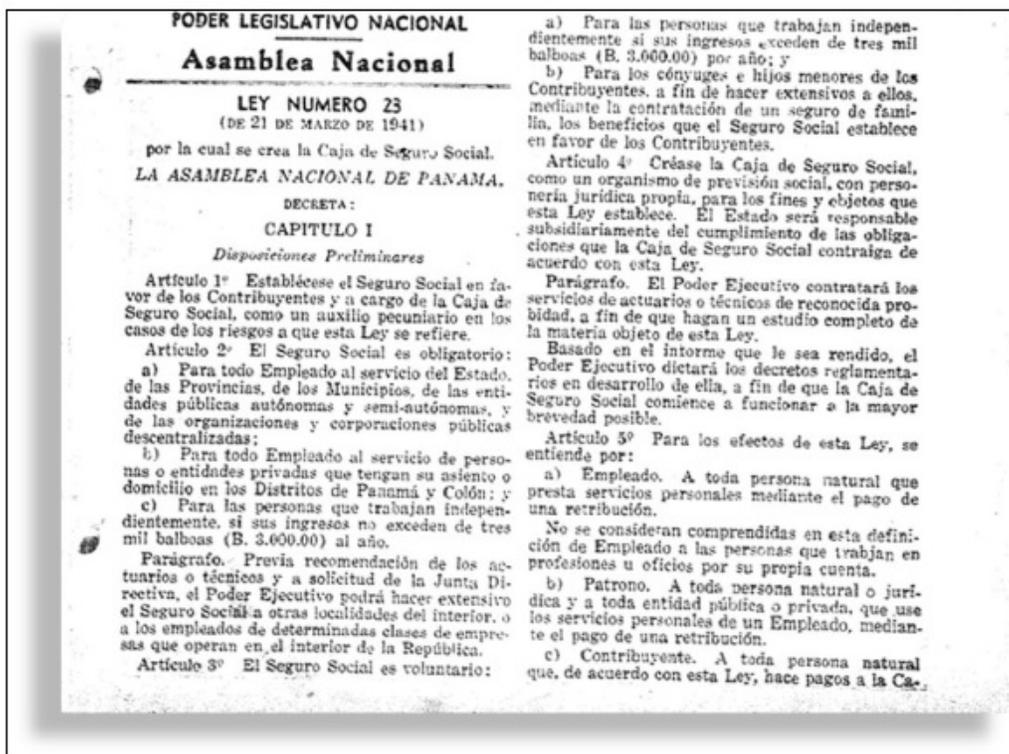
b) a Mixed individual capitalization subprogram, in which the first tranche of wages reported up to B/. 500.00 guarantees a maximum pension of 60% equivalent to B/. 300.00 and the difference to accumulate in the pension would be the value of the contributions accounted for individually plus the return on the investments made with those funds.

This Law entered into force in 2008, and the members of each subprogram were distributed according to age: those who were over 35 years of age at the time the law entered into force would go to the SEBD subprogram; those under that age, to the Mixed Individual Capitalization subprogram.

Unlike original Law of 1941, many administrative and scope aspects of functions of the Administration, contracted personnel, the parameters in which it can be invested and the operation of the Board of Directors are regulated by Organic Law 51.

Likewise, income from different sources is maintained and a worker-employer quota of 22% of the value of payroll is established, as can be seen in the following table:

According to the distribution of the worker-employer quota, the main source of income for the



Fund, it is observed that the employers contribute 12.25% of the quota and the workers 9.75%. the Health Component, I and M Program, (Illness and Maternity) is financed 94% by contributions from the employer. The remaining 6% contributed by workers finances mainly maternity and sickness pensions.

The pension component, IVM Program, (Disability, Old Age and Death), occupies 13.5% of the worker-

### 3. HE CURRENT SITUATION OF THE SOCIAL SECURITY FUND

The Social Security Fund, in accordance with the provisions of Organic Law 51, is managed by Risks, or programs. (a) Administration, (b) Health, called Illness and Maternity, I and M, (c) Disability, Old Age and Death, IVM, Pensions, divided into two subprograms, and (d) Professional Risks.

Likewise, the administration is subdivided into two large subgroups, Administration and Health. In total, it reaches more than 36,000 employees, with an almost equal relationship between administrative and health personnel.

According to the latest balance sheet, available on the institution's website, and pending audit by the Comptroller's Office, between December 31, 2019 and 2020, the balance of the reserve funds of all Risks passed of B/. 9,236.8 million to B/. 9,162.5 million, which shows a consolidated loss of B/. 74.3 million.

The Administration Risk indicates a decrease in accumulated amount of B/. 205.8 million, mainly caused by transfer of B/. 257.9 million that had to be made to complement payment of pensions, given that the SEBD, as is known, had a deficit.

The Health Program, I and M, reflects in the year 2020 a deficit between income and current expenses of the order of B/. 25.5 million, which casts a warning light on the future of this relevant subprogram in health care.

The IVM pension subprogram, SEBD, had a difference between the quotas received and the pensions paid in the order of B/. 517.5 million, which was partially offset by the transfers received from Administration Risk. The IVM SEBD Risk shows a total decrease of B/. 297.5 million. The SEBD subprogram had been showing deficits consistently since 2018 when it was B/. 41 million; in 2019 of B/. 249.9 million. The same that were absorbed by the reserves of the Bank and the replacement was processed and obtained by the Trust that exists in the National Bank to cover this type of situation. This risk, SEBD, presents an available balance of its reserves of B/. 1,170.2 million. It should

**CUOTA OBRERO-PATRONAL  
(% DEL SALARIO)**

	Enfermedad y Maternidad	Invalidez, Vejez y Muerte	Total
EMPLEADOS	0.50	9.25	9.75
EMPLEADORES	8.00	4.25	12.25
<b>TOTAL</b>	<b>8.50</b>	<b>13.50</b>	<b>22.00</b>

employer quota. The employer contribution is equivalent to 31.5% of the Pension Fund. In sum, workers contribute 44% of the cost of Social Security, and employers the remaining 56%.

**It is necessary to point out that 100% of the resources provided by the employee-employer quota are used exclusively to cover health and pension expenses. The State provides 100% of the resources to finance the Caja's administrative expenses.**

The Ministry of Health, through its Health Centers and hospitals, attends to the rest of the population that lacks private or public health insurance. In areas of the interior of the republic there are agreements by which the patients of one or the other system are treated and the costs are compensated between both health care regimes.

The general perception is that the health system is inefficient both in the quality and quantity of medical care, as well as in the provision of medicines, turning these issues into matters of social conflict.

Likewise, there is dissatisfaction with the amounts of pensions, as well as with the medical care received by pensioners and retirees..

be clarified that after the closing, the reimbursement funds of the Trust were received for the deficits of the years 2018 and 2019, for which the beginning of the balance for the year 2022 must reflect those entries.

The opposite is the situation of the Mixed Individual Capitalization subprogram. It had a surplus of income versus expenses of the order of B/. 526.5 million, product of the few pensions that are paid from this Fund.

On the other hand, the balance of the funds or reserves of the Professional Risks program went from B/. 959.5 million in 2019 to B/. 896.5 million in 2020. Cause, a difference in operations of less than B/. 48.6 million between income and current expenses. That is, the payment of pensions for professional risks was higher than the fees collected for the same concept during the period.

The summary of this situation is that all the programs or Risks that constitute the Social Security Fund, namely, Health or I and M, Pensions or SEBD, and Professional Risks, had to resort to the use of reserves to face the expenses of the period in 2020. The main cause of this situation, particularly in the EyM and Professional Risk Funds, was the drop in revenue collection as a result of the pandemic that caused a severe reduction in economic activity and, therefore, the income of the Cash register.

The balance of the year 2020 had delays for its timely completion due to the fact that the closing of the fiscal year was postponed on different occasions in order to record expenses corresponding to the period that in part materialized in the year 2021. This situation corresponded to practices adopted by the country and applied by the Caja as part of the Non-Financial Sector, SNF, of the national government.

In short, the situation of the IVM SEBD, which due to its structure in which it has fewer and fewer contributors and more beneficiaries, for which it inevitably falls into a deficit, worsened as expected. The Mixed IVM with individual capitalization maintained its financial health.

However, the programs that worsened due to the drop in income were Health, I and M and Professional Risks.

A re-engineering of the programs is clearly required in order to achieve their financial health while improving the quality of the services provided, both in health and pensions. If it is observed, the original design of the Fund in 1941 was of individual capitalization, and the beneficiaries would have to contribute in addition to the employer-employee quota. In successive revisions, an Exclusive Defined Benefit concept was passed, with broad coverage of beneficiaries. Likewise, the administrative regulations that appear today in the law were additions over time that condition the efficiency in the management of the Fund.

A sheet with the General Balance is presented, as well as another with the results or changes of each Risk or Subprogram, year 2020, according to the Financial Balance of the Bank, taken from its website.

#### 4. A PROPOSAL FOR POSSIBLE REFORM

A model that we believe could be considered is to separate the functions of Health from Financial Management of Investment and Pension Programs, whatever the modalities that may be adopted.

The country has experienced for decades a two-headed system that is coordinated within the republic to provide services and that presents interesting results. The same exists for patient care at the Oncology Institute, Pediatric Care, etc. But it is a two-headed system in which each institution has strengths and weaknesses.

The provision of opportune appointments, in quality and time, as well as of medications, is another area of dissatisfaction. The Box has developed a muscle in medical specialties, and can greatly improve in other aspects.

**A Universal Health System:** integrated into its administrative management, with clear cost accounting, can be a vehicle to experiment with that can provide the best care to the population.

However, prior to this step, an internal re-engineering

**CAJA DE SEGURO SOCIAL**  
BALANCE GENERAL POR RIESGOS  
Al 31 de Diciembre de 2020

En Balboas

	TOTAL	ELIMINACIONES	ADMINISTRACIÓN	ENFERMEDAD Y MATERNIDAD	INVALIDEZ, VEJEZ Y MUERTE	RIESGOS PROFESIONALES
<b>Activos:</b>						
Activos Corrientes						
Caja y Banco	B/. 3,612,486,144	B/.	B/. 409,448,425	B/. 1,003,492,200	B/. 1,995,694,733	B/. 203,850,786
Inversiones	310,835,000		6,314,563		289,520,437	15,000,000
Cuentas por Cobrar	124,551,190		25,508,746	15,779,632	79,880,575	3,382,237
Intereses por Cobrar	55,295,941		1,062,051	298,936	52,906,080	1,028,874
Cuentas por Cobrar entre Riesgos		216,801,254	216,801,254			
Saldos débitos por distribuir		1,716,866,463	271,378,700	324,384,712	499,804,610	621,298,441
Inventarios	326,125,897		8,239,028	215,680,851		102,206,018
Préstamos Especiales	1,512,680				1,512,680	
Total de Activos Corrientes	4,430,806,852	1,933,667,717	938,752,767	1,559,636,331	2,919,319,115	946,766,356
Inversiones - Largo Plazo	3,856,994,315		267,411,069	12,500,000	3,542,070,027	35,013,219
Inversiones de Depósitos a Plazo Fijo	1,831,483,475		82,265,106		1,697,960,517	71,257,852
Préstamos Hipotecarios - Largo Plazo	29,828,225				29,828,225	
Préstamos Especiales - Largo Plazo	72,587,973				72,587,973	
Inmuebles, Maquinaria y Equipo, neto de Depreciación Acumulada	1,113,247,646		70,849,766	940,818,977	797,229	100,781,674
Bienes Reemplazados	17,652,921				17,652,921	
Bienes Disponible para la Venta	463,646,005		415,853	548,355	460,498,469	2,183,328
Otros Activos	176,231,362		33,976,114	48,521,268	84,662,958	9,071,022
<b>Total de Activos</b>	<b>B/. 11,992,478,774</b>	<b>B/. 1,933,667,717</b>	<b>B/. 1,373,670,675</b>	<b>B/. 2,562,024,931</b>	<b>B/. 8,825,377,434</b>	<b>B/. 1,165,073,451</b>
<b>Pasivos y Fondos:</b>						
Pasivos Corrientes						
Cuentas por Pagar:						
Proveedores de Bienes y Servicios	B/. 247,993,413	B/.	B/. 13,888,980	B/. 203,526,269	B/. 71,164	B/. 30,507,000
Tributos por Pagar	16,509,347		16,402,261	95,930		11,156
Saludos por Pagar	6,245		6,245			
Tributos Recaudados - Gobierno Central	203,624,787		203,620,637	2,171	1,979	
Otras Cuentas por Pagar	116,258,955		66,948,288	31,075,533	9,506,069	8,729,065
Pasivos Diferidos	226,434,874		215,133,952	2,062,500	9,145,698	92,724
Cuentas por Pagar entre Riesgos		218,668,057	1,751,290	690,941		216,225,826
Saldos créditos por distribuir		1,714,999,660	282,206,021		1,432,793,639	
Total de Pasivos Corrientes	810,827,621	1,933,667,717	799,957,674	237,453,344	1,451,518,549	255,565,771
Pasivos a Largo Plazo:						
Pasivo a Largo Plazo Subsistema Mixto	1,998,457,354				1,998,457,354	
Reservas Para Contingencias	20,673,410		20,673,410			
Total de Pasivos a Largo Plazo	2,019,130,764		20,673,410		1,998,457,354	
Total de Pasivos	2,829,958,385	1,933,667,717	820,631,084	237,453,344	3,449,975,903	255,565,771
Fondos Legales	9,162,520,389		553,039,591	2,324,571,587	5,375,401,531	909,507,680
<b>Total de Pasivos y Fondos</b>	<b>B/. 11,992,478,774</b>	<b>B/. 1,933,667,717</b>	<b>B/. 1,373,670,675</b>	<b>B/. 2,562,024,931</b>	<b>B/. 8,825,377,434</b>	<b>B/. 1,165,073,451</b>

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**CAJA DE SEGURO SOCIAL**  
ESTADO DE CAMBIO DE RIESGOS  
Al 31 de Diciembre de 2020 y 2019  
En Balboas

	Saldo Final	Administración de los Riesgos			Riesgo de Enfermedad y Maternidad	Riesgo de Invalidez, Vejez y Muerte			Riesgo Profesionales	
		Administración	Seguro Colectivo Renta Vitalicia	Seguro Colectivo Invalidez	Sistema Exc. de Beneficio Definido	Subsistema Mixto	Fideicomiso	Riesgo Profesionales	Fideicomiso	
Saldo al 1 de Enero de 2019	B/. 8,760,197,644	B/. 497,707,123	B/. 133,893,435	B/. 9,483,750	B/. 2,341,479,797	B/. 1,737,979,344	B/. 2,791,197,675	B/. 321,431,887	B/. 915,073,399	B/. 11,951,234
Trasferencias Incobrables	(2,854,138)	72,962			(235,330)	(2,691,770)				
Remesas Internas	(4,948,439)				(4,208,242)				(738,197)	
Resultado de Operaciones	495,221,072	56,479,068	30,168,624	2,143,749	55,930,029	(249,505,108)	544,279,188	11,453,820	44,131,567	510,135
Revaluaciones y Donaciones	24,540,885	269			228,927	24,311,689				
Ajustes de Periodos Anteriores	(35,316,473)	(564,988)	223	(505)	5,944,254	(41,844,481)	43,871	128,672	1,071,073	5,408
<b>Saldo al 31 de Diciembre de 2019</b>	<b>B/. 9,236,842,551</b>	<b>B/. 553,694,434</b>	<b>B/. 164,092,282</b>	<b>B/. 11,626,994</b>	<b>B/. 2,399,139,435</b>	<b>B/. 1,467,749,674</b>	<b>B/. 3,335,520,734</b>	<b>B/. 333,014,379</b>	<b>B/. 959,537,842</b>	<b>B/. 12,466,777</b>
Saldo al 1 de Enero de 2020	B/. 9,236,842,551	B/. 553,694,434	B/. 164,092,282	B/. 11,626,994	B/. 2,399,139,435	B/. 1,467,749,674	B/. 3,335,520,734	B/. 333,014,379	B/. 959,537,842	B/. 12,466,777
Trasferencias		(257,925,483)				257,925,483				
Donaciones	552,678				471,148				81,530	
Incobrables	(497,627)	21,488			(59,756)	(459,359)				
Remesas Internas	(82,088,177)				(89,582,655)				(12,505,522)	
Resultado de Operaciones	24,829,180	49,820,090	27,558,731	1,866,299	(25,490,199)	(517,474,312)	526,482,583	10,154,183	(48,580,873)	484,678
Revaluaciones y Donaciones	12,178,810					12,178,810				
Ajustes de Periodos Anteriores	(29,297,026)	2,287,713	(893)	(84)	20,093,614	(49,698,988)	8,364		(1,986,492)	(260)
<b>Saldo al 31 de Diciembre de 2020</b>	<b>B/. 9,162,520,389</b>	<b>B/. 347,898,262</b>	<b>B/. 191,648,120</b>	<b>B/. 13,493,269</b>	<b>B/. 2,324,571,587</b>	<b>B/. 1,170,221,288</b>	<b>B/. 3,862,011,681</b>	<b>B/. 343,168,562</b>	<b>B/. 896,546,485</b>	<b>B/. 12,961,195</b>

Las notas que se acompañan forman parte integral de estos estados financieros.

of processes is required in each institution, with a view to their integration, definition of costs for each service, and administrative adaptation. Achieving these goals would take several years. But we would start with a review and update of processes, computer systems and gradually integrate those services that are most quickly adapted. The worker-employer quotas in their component of health expenses, as well as the transfers from the central government to the Minsa hospitals, would constitute the sources of financing of the Universal Health System.

It would have its own Board of Directors that would be made up of the government, employers, contributors, and health sector specialists. With requirements for professional skills in the issues to be addressed.

### **A Drug Supply Management System**

A National Medicines Mixed Company, which plans the acquisition of medicines, their purchase, storage, control and distribution to the Universal Health System. Its shareholders could be companies or private individuals and the national government. But its administration would be professional, private, and independent of public management. It would have a Board of Directors in which the government, private shareholders, and the Caja's contributors would be represented, equally. Workers and Employers. All with professional skills requirements in the issues to be managed.

### **A Management, Investment and Administration System for Pension Plans**

In the first place, all the pensions that are paid would be concentrated, both the contributory ones and the solidarity ones. The latter should decrease over time, to the extent that the contribution of informal workers in the System increases. The current design of contributory pensions is based on formal companies, and modern employment trends are hiring services for defined times or independent. The system must be made more

flexible so that those workers who are not linked to formal companies can be incorporated into the system.

This system should have a strong financial arm that has the skills to manage resources efficiently. It would have a workers' bank that would manage personal, housing, and commercial loans to its members. It could carry out securitization operations, purchase and sale of portfolios, etc., in such a way that it expands the range of activities in which the current regulations restrict its capacity to act.

To carry out these tasks, it will require an Administration and a Board of Directors made up of qualified personnel in financial matters, in such a way as to guarantee taking of assignments and financially well-conceived projects. The system could keep accounts of the individual accounts of the workers in their own bank, in such a way that each worker can carry out operations to increase his or her contributions or even take loans with the guarantee of his or her own pension savings.

A supervisory authority will be required, which can be the Ministry of Health, MINSA, or an entity directed by MINSA, to supervise the operation of the system. Given that this scheme would reduce to MINSA the function of providing medical services, as well as to the Ministry of Social Development, MIDES, of paying solidarity pensions, perhaps both entities could be merged into a Leading Ministry of Public Policies instead of being an executing agency.

Below, a schematic representation of how the Social Security System could initially be conceived. An Action Plan would be required, with objectives, goals, management indicators, and those responsible. It is an exercise that could take more than one government administration to complete.

The conversion of these reforms into viable legal frameworks would be one of the tasks to be carried out, once a public policy decision has been made in this regard. *L&E*

ENTIDAD REGULADORA			
EMPRESA NACIONAL DE MEDICAMENTOS S.A.		SISTEMA UNIVERSAL DE SALUD	SERVICIOS FINANCIEROS Y ATENCION ASEGURADOS
INVENTARIOS		CENTRO DE SALUD	PENSIONES
COMPRAS		POLICLINICAS	BANCO
ALMACENES		HOSPITALES	

# Norms of INTEREST

## CONFLICT OF INTERESTS IN THE PUBLIC SERVICE

Giovana del C. Miranda G.- Attorney  
giovana.miranda@rbc.com.pa

Law 316 of August 18, 2022 was recently enacted, which aims to establish measures to prevent and regulate situations of conflict of interest in the exercise of public functions.

Law 316 defines the terms conflict of interest, public interest, private interest, regulated entity, public function and public servant.

**The rule provides that the obligated subjects are the persons indicated below:**

**1. The ministers and deputy ministers of State, the sub-controller general accountant of the Republic, the ombudsman, the diplomatic and consular chiefs, the superintendent of Banks, the superintendent of the Securities Market, the superintendent of Insurance and Reinsurance, the members of boards of directors that manage public funds or make decisions in this regard, members of boards of directors in charge of administering public institutions, general directors, managers or heads of autonomous or semi-autonomous entities, the board of directors of public-private partnerships, the board of directors of the non-governmental organizations that have received or receive funds, capital or goods from the State, the national administrators, the mayors and vice-mayors, the corregimiento representatives and**

**councillors, the governors and vice-governors.**

**2. All employees or public officials handling in accordance with the Tax Code.**

Similarly, deputies, magistrates of the Supreme Court of Justice, judges, prosecutors, the Attorney General of the Nation, the Administration Attorney, the President and Vice President of the Republic and magistrates are considered obligated subjects. of the Electoral Court, as well as any other public servant that is cataloged as the highest authority of their institution, to whom, if they find themselves in a situation of conflict of interest, the special investigation processes established for them in accordance with our current legislation will be applied.

Under these parameters, it has been arranged that natural persons or members of board of directors, dignitaries, shareholders, final beneficiaries and attorneys-in-fact of legal persons who are awarded public tenders for goods or services with the state will be considered as obligated subjects to present the affidavit of particular interests.

Another aspect to mention is that the obligated subject may not direct, manage, advise, sponsor, represent, act as attorney-in-fact or provide paid or unpaid services, directly or through an intermediary,

to anyone who manages or exploits concessions granted by the State, or who intends to manage or exploit them, nor to those who are suppliers or contractors of the State, or to those who pretend to be, that mean benefits or obligations with entities directly supervised by the body or entity in which they are performing their public functions.

In that order of ideas, it has been established that in public contracting those acts in which there is a conflict of interest between an obligated subject of the contracting entity and the contractor may not be awarded.

In such a way that obligated subject must express his conflict before the hierarchical superior and immediately separate himself from the knowledge of such matters.

Regarding the sworn declaration, it has been arranged that the obligated subjects must submit a sworn declaration of interests within a non-extendable period of thirty business days, counted from the taking of office, and this must be renewed annually, within the first ten days of each year, in the case of remaining in office.

Likewise, the obligated subjects must also submit a sworn statement of interests no later than ten days after the termination of their duties and, if they do not do so within the established term, the National Authority for Transparency and Access to Information, may require the regulated entities to comply with their obligation.

The affidavit of interests will be rendered before a notary public by the obligated subjects and must be presented in the established terms and deadlines and must reflect current and reliable information, so that the entities in charge of its reception, review and custody verify its content.

The National Authority for Transparency and Access to Information will be the governing authority in matters of conflict of interest and will be in charge of ensuring compliance and application of the provisions of Law 316. *L&E*

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# NGABE-BUGLÉ AGROTOURISM BOARD

Giovana del C. Miranda G. - Attorney  
 giovana.miranda@rbc.com.pa

**T**hrough Law 317 of August 23, 2022, the Agrotourism Board is created in the Ngäbe-Buglé region as an entity of public and social interest, non-profit, with its own assets and autonomy in its administrative, economic and financial regime, which will be governed by this law.

It has been established that the Board of Trustees aims to develop, recommend, disseminate, promote and adopt all pertinent actions for the proper functioning of the agrotourism sector in the region.

The Board of Trustees will have the following functions, among others: **1. Prepare projects for the development and improvement of**

**the agro-tourism sector in the region. 2. Recommend and coordinate all activities with the traditional and political authorities of the region, so that there is harmonious citizen participation in the implementation of agrotourism programs in the region. 3. Manage in a transparent manner the resources received for agrotourism in the Ngäbe-Buglé region.**

On the other hand, the Board of Trustees will be exempt from the payment of any contribution, levy, rate or national tax, through the Ministry of Economy and Finance and the General Directorate of Revenue in coordination with the different municipalities of the region. *L&E*

# NATIONAL COMMISSION FOR FAMILY, CIVIC, ETHICAL AND MORAL VALUES

Giovana del C. Miranda G. - Attorney  
giovana.miranda@rbc.com.pa

**W**ith the sanction of Law 318 of August 23, 2022, the National Commission for the Development, Promotion, Dissemination and Strengthening of Family, Civic, Ethical and Moral Values is created, which will be responsible for preparing the National Plan for the Development, Promotion, Dissemination and Strengthening of Family, Civic, Ethical and Moral Values and of a Culture of Legality, with the aim of developing actions aimed at promoting, disseminating and strengthening said values throughout society.

The National Commission will be responsible for preparing the National Plan, and will also coordinate its implementation together with other

government organizations and any other organization committed to strengthening values in Panama. Similarly, the Commission will promote the inclusion of the subjects of Civility, Civic Education and Government Lessons, with emphasis on the Culture of Legality, in the country's educational system curriculum, as well as the teaching and practice of family values, civic, ethical and moral as a transversal axis at all levels.

Finally, the State, through the National Commission for the Development, Promotion, Dissemination and Strengthening of Family, Civic, Ethical and Moral Values, will allocate the necessary budget to meet the objectives of the National Plan. *L&E*

## REGULATORY FRAMEWORK FOR BOARD OF TRUSTEES, PUBLIC MANAGEMENT COUNCILS, COMMISSIONS, PROGRAMS CREATED BY THE STATE

Giovana del C. Miranda G.- Attorney  
giovana.miranda@rbc.com.pa

Through Law 319 of August 24, 2022, the general regulatory framework is established for boards of trustees, public management councils, commissions, programs created by laws or decrees, which contribute with the surveillance and support for the fulfillment of administrative functions and are financed by the State through the Ministry of Health.

It has been provided that Law 319 and its regulations will be mandatory for current legal entities, or those that may be established in the future, under the name of boards of trustees, public management councils, commissions, programs and other similar entities of the Minsa financed by state funds.

In turn, the State, through the governing health authority, is responsible for dictating public and management policies, which are mandatory for the administrative and technical personnel of all

entities financed with State funds, including health councils, public management, commissions, trustees, programs and other similar entities.

Law 319 provides that, from its entry into force, boards of trustees, management councils, commissions or any entity created by the State, will review and adapt their structures and functions to provisions of norm within a period not older than two years.

In this sense, the representatives of civic organizations or civil society will be appointed for a period of three years and may be re-elected for an additional period.

It is important to mention that Law 319 will come into effect on February 24, 2023, that is, six months after its enactment and must also be regulated by the Executive. *L&E*



## TRAFFIC ACCIDENT DAMAGE INSURANCE POLICIES MUST HAVE A MINIMUM VALIDITY OF 90 DAYS

Giovana del C. Miranda G. - Attorney  
giovana.miranda@rbc.com.pa

In recent days, Law 320 of August 24, 2022 was sanctioned, by means of which Law 14 of 1993 and Law 122 of 2013 are modified, related to compulsory traffic accident insurance, which will come into force at ninety days after its promulgation, that is, on November 24, 2022.

The reform consisted in establishing that the vehicle insurance policies must be valid at all times and that for the procedures of obtaining a vehicle inspection certificate or the purchase of the license plate or the circulation permit decal in the municipality, must be valid for at least ninety days.

With regard to the modification of article 4 of Law 22 of 2013, we note that a paragraph is introduced, which states that any owner of a motor vehicle or towing unit that travels in the national territory or has an accident traffic without having the current policy, the driver's license will be withheld, without prejudice to

other sanctions established by the Traffic Regulations.

The license will be returned to you when the owner presents the compulsory insurance policy.

In this order of ideas, Law 320 states that anyone who circulates without having the current insurance policy and is involved in a traffic accident that has caused bodily injury or property damage as determined by the traffic judge, your license and the vehicle involved will be retained, which will be returned when you have covered the damages and paid the retention and custody expenses of the vehicle.

It is also established that insurers must ensure that within the basic mandatory traffic accident insurance contracts the obligation to pay the premium on time is expressed, so that the renewal claim is viable, in order to facilitate compliance with the law to the contracting party and/or insured. *L&E*

## CONVENTION ON THE ELIMINATION OF VIOLENCE AND HARASSMENT IN THE WORLD OF WORK

Giovana del C. Miranda G.- Attorney  
giovana.miranda@rbc.com.pa

**T**hrough Law 321 of August 29, 2022, the Convention on the Elimination of Violence and Harassment in the World of Work, 2019, adopted by the General Conference of International Labor Organization in Geneva, on June 21, 2022, is approved. 2019.

It should be noted that the Convention defines that expression violence and harassment in world of work designates a set of unacceptable practices, or threats of such behaviors and practices, whether they manifest themselves once or repeatedly, which are object, which cause or are likely to cause physical, psychological, sexual or economic harm, and includes gender-based violence or harassment.

In turn, the expression gender-based violence and harassment designates violence and harassment that are directed against people because of their sex or gender or that disproportionately affect people of a given sex or gender and includes sexual harassment. sexual.

In terms of scope, the Convention protects workers and other persons in the world of work, including salaried workers as defined in international law and practice, as well as persons who work, whatever their contractual status, trainees, including interns

and apprentices, laid-off workers, volunteers, job seekers and job applicants, and individuals exercising authority, duties, or responsibilities of an employer.

It is worth mentioning that the Convention applies to all sectors, public or private, of the formal and informal economy, in urban or rural areas.

Under these guidelines, the document develops what is related to the Fundamental Principles; Protection and Prevention; Control of the Application and Means of Recourse and Repair; Guidance, Training and Awareness; Application Methods and Final Provisions.

In this regard, we bring up Law 7 of February 14, 2018, which adopts measures to prevent, prohibit and punish discriminatory acts and dictates other provisions and which is closely related to the Convention in reference.

The Law and aims to prohibit and establish responsibility for any act of violence that threatens the honor, dignity, physical and psychological integrity of people, protect the right to work in conditions of equity and establish public policies to prevent these acts. acts, in accordance with the conventions on Human Rights ratified by the Republic of Panama.

It should be noted that said Law 7 came into force on May 16, 2018 and as of that date, employers had to take some measures in order to comply with said provision:

1. Implement adequate and effective procedures to quickly identify, respond to and correct any complaint of sexual or moral harassment, harassment, racism or discriminatory practices.
2. Incorporate these new procedures in the internal work regulations approved by the Ministry of Labor, the collective agreements and/or in the internal policies.
3. Train their human resources departments and supervisory staff to identify prohibited conduct and how to respond to reports of such conduct.
4. Similarly, they must train human resources personnel to carry out effective investigations and safeguard any evidence that can help the organization defend itself in the event of a possible lawsuit.

However, as indicated above, Law 7 of 2018 is pending to be regulated by the Executive Branch and both the Agreement and Law 7 impose, in one way or another, responsibilities and obligations on employers, on many aspects that cannot be controlled by the employer since they do not depend exclusively on their actions, but on the actions of workers and people outside the company. *L&E*



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## MODIFY ARTICLES OF EXECUTIVE DECREE 439 OF 2020, WHICH REGULATES LAW 22 OF 2006 THAT REGULATES PUBLIC PROCUREMENT

Giovana del C. Miranda G.- Attorney  
giovana.miranda@rbc.com.pa

**T**hrough Executive Decree 34 of August 24, 2022, some articles of Executive Decree 439 of September 10, 2020 are modified, by which Law 22 of June 27, 2006, which regulates Public Contracting in Panama, is modified, being most following are relevant:

**1. Declarations submitted through the “Panama Compra” Public Procurement Electronic System will invariably use the inviolable electronic identification method used by the General Directorate of Public Procurement. These declarations will produce the same effects that the laws grant to private instruments with the corresponding autograph signature and, consequently, they will have the same binding and probative value.**

**2. Any statement signed and submitted through the Electronic Public Procurement System “Panama Compra” that is not truthful, authentic or true, will be considered false information and documents.**

**3. In the case of independent professionals who act as trainers or facilitators in matters of public**

**contracting and the universities, academies, institutes or study centers that do not have an agreement with the General Directorate of Public Contracting, they may dictate seminars, training or any other another course on public contracting, for which they must have proven experience or have been taught courses on public contracting and with the approval of the thematic content by the General Directorate of Public Contracting. , as established in article 16 of the Single Text of Law 22 of 2006, ordered by Law 153 of 2020.**

**4. Minor contracting procedures for quotations that do not exceed ten thousand balboas (B/.10,000.00), will not require the publication of the results of a market study or request for information, since it is an expedited procedure.**

**5. In cases where the bidding entity does not have internet service or that it does not have the technical requirements, duly certified by the National Authority for Government Innovation, so that it is not possible to carry out prior and homologation virtually, he will be able to hold the meeting in.**

6. In the cases of contractor selection procedures whose object of contracting has a high level of complexity as established in Article 97 of these regulations, and that the amount of contract is greater than three million balboas (B/. 3,000,000.00), previous meeting and homologation may be carried out in person.

7. Entities are obliged to invite the General Directorate of Public Procurement to the prior and homologation meetings that they convene.

8. The public servants who are appointed by the bidding entity to preside over and/or participate in the preliminary meeting and homologation, must be suitable persons in the object of the tender document and its structuring, in such a way that all queries can be resolved. or observations that the participants are kind enough to make.

9. In the excepted cases of proposal submission by electronic means, if two or more proposals are submitted by the same proponent, the entity will only consider valid the last proposal that has been submitted for verification or evaluation. In the event that these proposals are presented at the same time, the proposal will be rejected as indeterminate, invalid and will not produce legal effects.

10. When minor contracting acts are carried out in which micro or small companies and local companies concur as proponents, the entity will first select the proposal presented by the local company, provided that it meets the requirements and demands of the tender document. and the proposed price is not more than 5% in relation to the lowest price proposal presented by the micro or small company.

11. When quotations are requested by any other technological or communication means, the entity must also comply with the established minor contracting procedure and have the certification issued by the Online Quotation Platform, which certifies that no quotations were received. after having carried out three (3) online quotation

request processes, under the same registration number.

12. When the entity makes a request for quotes online, whose amount requires a minimum of three (3) or (2) quotes and receives less than these amounts, it may proceed to choose the quote with the lowest price and that meets the specifications. required, since the procedures carried out through the Electronic System will be the guarantee that the entity will have to support that it has made the corresponding request and only the quotes that the Electronic System reflects were presented, thus complying with the principles of publication and equality of public procurement opportunities.

13. In the cases of acquisition of a good, service and work, the entity must be supported by qualified personnel in the object of the contract, for the verification of compliance with all the requirements and specifications demanded in the list of charges. The entity will proceed to prepare a record stating the review of all the requirements and technical specifications and it will be signed by the person or persons who prepare it and it will be incorporated into the electronic file complying with its publication.

14. When the modifications made to the specifications for the new call, affect the preparation of the proposals, due to changes made in their special conditions, technical specifications and in the requirements for presentation of a new previous meeting and approval when appropriate, according to the reference price established in a public act.

• Acquisitions or leasing of goods and/or services in which there is no more than one bidder.

- In those cases that, according to a well-founded technical report, have not been adequately replaced.

- When there is obvious urgency.

- Contracts that exceed three hundred thousand balboas (B/.300,000.00), which constitute simple extensions of existing contracts.

- In cases of exchange.

15. The General Directorate of Public Procurement may ex officio cancel the records of exceptional procurement procedures, when they show inactivity for a period greater than three (3) months from the last management or action carried out in the electronic file, without try to give continuity to the respective procedure that concludes this procedure.

16. When the claim action filed is directed against a new Commission Report ordered by the DGCP, through a motivated resolution that decides an action in which deficiencies in the procedure carried out by the Entity and/or the Commission have been ruled regarding the issuance of the report, without the DGCP issuing a statement regarding the points claimed against the previously issued Report.

17. In the case of Public Tenders and the claim against a new report, it is presented by a proponent whose offer has not been verified in accordance with the procedure established in article 58 of the Single Text of Law 22 of 2006, ordered by Law 152 of 2020, provided that no claim action has been filed against the initial report.*L&F*



# Consult, Doctrine and JURISPRUDENCE



## CORRECTIVE INCOME STATEMENT

COMPETENCE: ADMINISTRATIVE TAX COURT

DATE: March 02, 2022.

Casilda Quiróz- Legal Assistant  
casilda.quiroz@rbc.com.pa

# &W

### What is a Corrective Income Statement?

It is the one presented by a taxpayer to rectify their income, expenses and corresponding deductions and must be accompanied by a memorial signed by the taxpayer or legal representative.

The attorney, acting as a special representative of the taxpayer, filed an appeal with the Administrative Tax Court against Resolution No. 201-4162 of July 16, 2020, through which he upheld the resolution through Resolution No. 201- 2931 of May 11, 2017, by means of which they ordered Not to Accept the Application of the Corrective Income Sworn Declaration corresponding to the period 2013 that was presented on August 21, 2015, presented by the taxpayer.

### BACKGROUND

The taxpayer requested the General Directorate of Revenue to apply the Corrective Sworn Income Statement corresponding to the 2013 period, through which he requested that it be corrected in

the line of other costs, values that were placed for an amount lower than those that corresponded, which caused the taxable income to increase.

Through the report of the Auditor of the General Directorate of Revenue, it indicates that he requested the taxpayer a support through invoices and any other document, all the changes made in the line of Other Costs through the Sworn Declaration of Corrective Income of the period 2013, however, the taxpayer submitted a letter, with which he attached a series of documents as support, which corresponded to alleged invoices for legal services, printed in Word, which in the opinion of the Auditor did not meet the essential requirements to be considered invoices. In turn, when verifying the information related to the taxpayer who supposedly received the income for the amount of B/.280,000.00, it was found that he did not report income for the detailed amount.

The taxpayer, through a legal representative, filed a motion for reconsideration with the Tax Authority, alleging therein that due to taxpayer's own negligence at the time of submitting application

for the Corrective Income Sworn Statement corresponding to the 2013 period, they did not contribute in timely the corresponding tax invoice, through which the increased amount was supported in the line of other costs of the Income Statement for the 2013 period, in this sense it is observed that in the act of reconsideration they provided an invoice issued by the company for the sum TWO HUNDRED AND EIGHTY THOUSAND BALBOAS WITH 00/100 (B/.280,000.00), plus ITBMS, which corresponded to payments for administrative consulting.

### CONSIDERATIONS OF THE COURT

The Administrative Tax Court states that, in the original Sworn Income Statement for the 2013 period, the taxpayer had reported the sum of B/.102,927.22 in the line of other costs, an amount that was modified through the Corrective Statement, in the which declared the sum of B/.382,927.22, which results in a difference of B/.280,000.00, which causes a decrease in taxable income and therefore a decrease in the tax to be paid.

The Court observed that in the appeal for reconsideration, the taxpayer provided as documentary evidence a fiscal invoice for the total amount of B/.299,600.00, (B/.280,000.00 nominal for commissions and fees for administrative consultancy, plus B/.19,600.00 in concept of ITBMS), which bears no relation to the documents previously broken down and which were provided at the request of the Authorship and Supervision Department of the General Directorate of Revenue and in this same order of ideas, the appellant in his arguments establishes that the The cost detailed above is related to the improvements and remodeling carried out.

For these reasons mentioned above, the Administrative Tax Court is of the concept that no irrefutable evidence

was observed in the file that provides transparency with respect to the cost that is increased through the Corrective Sworn Income Statement for the 2013 period, since the taxpayer, provided documents based on which he has argued different explanations that do not coincide, in addition to this, the Court states that the appellant himself recognized the lack of support for the amount reported through the Corrective Affidavit for the period 2013, due to internal problems of the company with the personnel in charge of following up on the request for the application of the Amending Sworn Income Statement for the period 2013.

### RESOLUTIVE PART

THE TAX ADMINISTRATIVE COURT, in plenary session, administering justice in the name of the Republic and by authority of the Law, has:

FIRST: CONFIRM in all its parts Resolution No. 201-2931 of May 11, 2017, which was maintained by Resolution No. 201-4162 of July 16, 2020, both issued by the General Directorate of Revenue of the Ministry of Economy and Finance, through which it was decided not to accept the application of the Amending Sworn Income Statement corresponding to the period 2013.

### OPINION

I consider the Court's decision to confirm in all its parts No. 201-2931 of May 11, 2017 correct, which was upheld by Resolution No. 201-4162 of July 16, 2020, since it can be clearly seen that the taxpayer lacked sufficient evidence to support that the cost incurred during the 2013 period, in the amount of B/.280,000.00, is related to the production of income or the conservation of the source. *L&E*

## LAW 316 OF AUGUST 18, 2022, ON CONFLICTS OF INTEREST IN PUBLIC OFFICE

Lidia Domínguez - Legal Assistant  
lidia.tribaldos@rbc.com.pa

**B**ill No. 329, presented by H.D. Gabriel Silva, before the National Assembly, today becomes LAW 316 OF AUGUST 18, 2022, REGULATING SITUATIONS OF CONFLICT OF INTERESTS IN THE PUBLIC SERVICE, sanctioned by the President of the Republic, on August 18, 2022, and promulgated in the Official Gazette, which will come into effect within six (6) months. This conflict arises when the private interests of a person interfere with fulfillment of their professional duties and they occur daily in both private and public sectors. In public sector, it has been proven that they can have devastating effects on efficiency of public administration, on the culture of transparency of the state apparatus and on corruption.

Panama, has a corruption perception index in 2019, revealed by Transparency International, points to 37 out of 100, being 100 less corrupt and zero (0) more corrupt, which measures aspects regarding the use of public office to private profit and nepotism in public office. The lack of current legislation on

the matter allows, for example, public officials to report directly to hierarchical superiors who are their relatives. And a high position can facilitate the hiring of a company in which he or his relatives have interests, even once the position has ceased, which is why it is necessary to implement a legal framework in our country that avoids such behaviors. As of recent date, Panama didn't have a norm regulating conflicts of interest in the public sector, similar initiatives have been proposed to the National Assembly in the periods 2004-2009 and 2014-2019, without any success. Transparency International, Panama Chapter launched the 2019 political campaign, the "Challenge for Transparency", where presidential candidates pledged to support this Law; and through Law 15 of May 10, 2005, which approves the United Nations Convention Against Corruption, the Panamanian State assumed the commitment to establish internal legislation to prevent conflicts of interest and organizations such as the World Bank and the OECD, have repeatedly recommended.

The purpose of the Law is to seek, regulate and avoid conflicts of interest by establishing measures for early detection of conflicts of interest, forcing exclusive dedication to public office, establishing the duty to abstain from the cause when there is a potential conflict of interest. , create a Specialized Conflict of Interest Office, regulate the hiring of family members and establish other transparency measures, the latter aimed at achieving better state administration. Examples of this fight against corruption and that use this tool are Chile, Argentina and Spain, which have a law that regulates the conflict of interest and that creates a conflict of interest office. As there is no regulation in Panama that establishes (in addition to the codes of ethics) clear guidelines for acting on a day-to-day basis, this Law serves as a first line of defense or protection against acts of corruption, thus include preventive norms in our legal system and not so many of a repressive nature, such as those of criminal law, which are already applied when the damage to the State has occurred. problem facing the Panamanian nation since not taking the relevant measures to raise the levels of transparency.

The Law defines, what Conflict of Interest represents, the subject of Public Function, what is related to Public Interest, what concerns personal Interest, the figure of Public Servant, what has to do with the subject of the High positions of the State , and matters related to the management of the institution at a general or directorate level and the work of the Specialized Office for Conflicts of Interest, which will be in charge of faithful compliance with the provisions of this law, attached to the Authority for Transparency and Access to Information (ANTAI), which will act autonomously. It states that high-ranking officials, such as deputies, ministers, magistrates, the president, among others, have to make public their SWORN DECLARATION OF INTERESTS within a non-extendable period of thirty business days, counted from the taking of possession of the charge, and this must be renewed annually, within

the first ten (10) days of each year. They will be required to submit a sworn statement of interests no later than ten days after the end of their duties and if they do not submit it, they will be required by the National Authority for Transparency and Access to Information (ANTAI) and must also indicate the shareholdings. of officials in companies where they are part and who are State contractors. Among them, gifts, shares, financial participation and contracts are established.

These are 28 articles, where it is important to point out points such as article 3 of the law, which indicates that "the obligated subjects in accordance with the provisions of this Law shall act with objectivity, transparency and honesty, and must prevent their particular interest may unduly influence the exercise of their functions and responsibilities" and article 4, which describes who are obligated subjects, to whom, if they find themselves in a situation of conflict of interest, the special investigation processes established for them in accordance with our legislation will be applied. valid. The regulated entities "must present a sworn statement of interests within the non-extendable period of thirty business days, counted from the taking of office, and this must be renewed annually, within the first ten days of each year, in the case to remain in office and a sworn statement of interest no later than ten days after the termination of their duties. Once the term for the presentation of the affidavit of interests has expired, if it has not been presented, they will be required by ANTAI, in order for them to comply with their obligation. It establishes a chapter referring to the actions, rules of conduct, prohibitions, obligations and incompatibilities and the way in which public servants will serve with objectivity, transparency and honesty, and must prevent their personal interests from improperly influencing the exercise of their functions and responsibilities, always ensuring the greatest possible benefit to the Panamanian State.

Another aspect is that public institutions, in addition to having a CODE OF ETHICS as established by current regulations, must have a MANUAL OF CONDUCT in which adequate procedures are established and applied to detect possible conflicts of interest and so that, when incur in these conflicts, abstain or may be recused from their decision-making.

## SANCTIONS REGIME

The Specialized Conflict of Interest Office is the one who, in case of detecting any non-compliance with this law, will send a reasoned investigation report on the cause and the name of the public servant to the General Director of the Transparency and Access to Information Authority for that in the exercise of its functions it can impose the corresponding sanctions that are in accordance with the breaches of the regulation concerning conflicts of interest and the Comptroller General of the Republic will keep the electronic record of activities, without prejudice to future records that may be created as a result of the regulation of this law. The latter will submit to the ANTAI, every six months, detailed information on compliance by senior officials with the obligations to declare, and information on incompatibilities that occur in the exercise of public functions. The ANTAI will publish, annually, a report on compliance by senior State officials.

## GENERAL DISPOSITIONS

**For the purposes of this Law, the following terms shall be understood as follows:**

**Conflict of interest. The interest that a natural or legal person maintains to execute actions tending to the development of personal, private or particular matters in the labor, business or commercial field, which result in benefits; therefore, there is a conflict of interest when a current or potential situation of someone who**

**exercises public office.**

**Public interest. General convenience of society, intended to benefit all its citizens, without distinction, the main purpose of the Public Administration.**

**Personal interest. Convenience of the person who exercises the public function in the execution of actions of a pecuniary or non-pecuniary, professional, labor, economic or financial nature, which result in some type of personal benefit.**

**Obligated Subject. Natural person who, in the exercise of his public function and in accordance with the provisions of this Law, is obliged to present a sworn declaration of interests.**

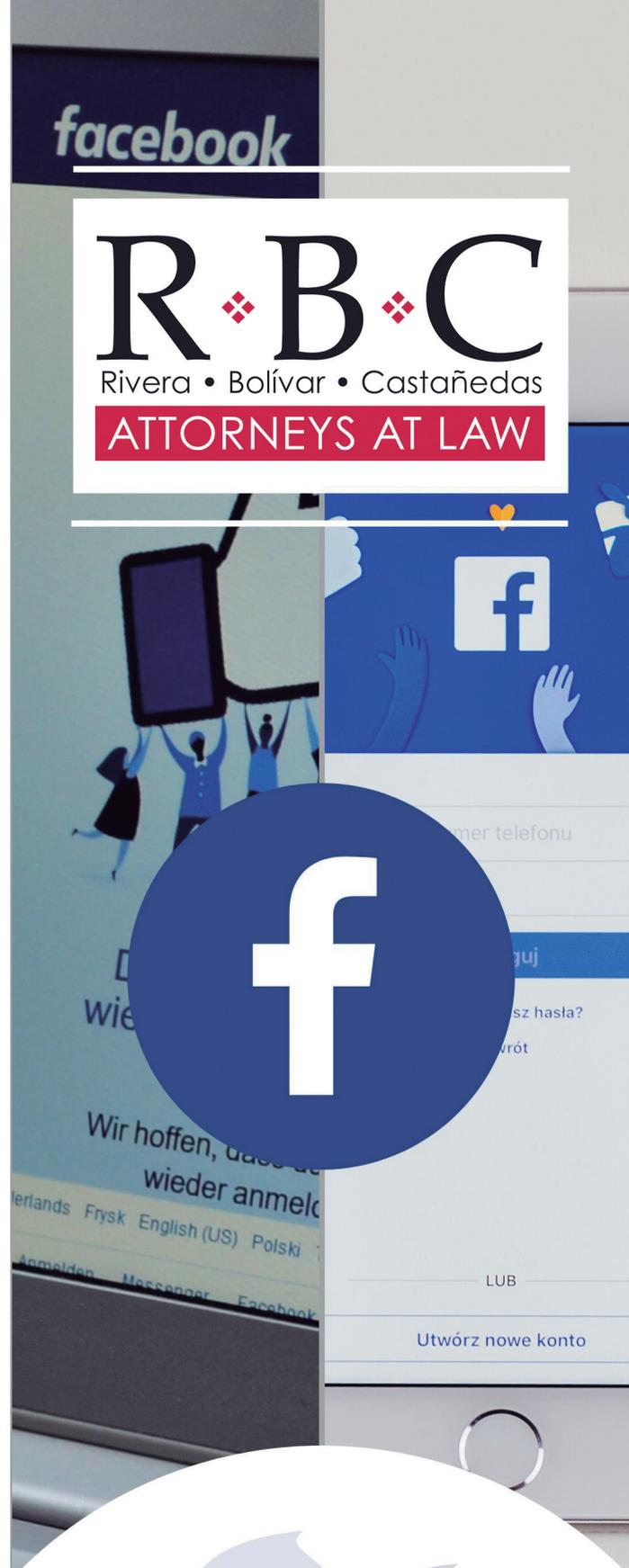
**Public function. Any temporary or permanent activity, paid or honorary, carried out by a person at the service of the State for the benefit of the public interest.**

**Public servant. Person appointed temporarily or permanently in positions of the Executive, Legislative and Judicial Organs, of the municipalities, autonomous or semi-autonomous entities and, in general, the one who receives remuneration from the State.**

For Deputy Silva, this Law is essential to combat corruption and what he seeks is that the official always think of the country and the citizens and never in his own pocket or that of his co-supporters or families. He maintains that what the law seeks, more than anything, is that all officials annually make a declaration of conflict of interest where they express who their relatives are, what businesses they have, where they have interests, what public contracts they may have had in the past, in the present and say with transparency where they consider they have conflicts of interest. Indicates that all this information will be sent

to the ANTAI, who will be in charge of supervising each decision made by the official and in case of conflicts, warn him to refrain and if the official still decides to carry out the action in conflict, then he can face dismissal, a fine and even for a fine and even criminal sanctions. The president of Transparency International, Carlos Barsallo, states that in Panama there is a myth that the issue of conflicts of interest has been treated as "indispensable" where actions could not be taken without it, when they can really be done using the semantics. He expresses that in our country there is a need for willingness to carry out this type of action, where the current cases of corruption could be taken as an example and work with them to verify which tools can work and improve those that have shortcomings.

The reality is that our country requires strict performance and supervision of those who exercise their functions within the public administration, which therefore has repercussions in dealing with individuals, the image that we perceive on a daily basis of the actions of those who administer our country, is not the best reflection of a behavior that not only affects the good performance of our institutions, but also the advancement and development of our country, and that places Panama in the eyes of the international community with an image that does nothing to favor the possibilities of investment that can do so much good to our already battered economy.*L&E*



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# Politics

## THE MINISTER IN CHARGE OF THE EXECUTIVE BODY IN OUR NATIONAL HISTORY

Rafael Fernández Lara - Independent Lawyer  
rbcweb@rbc.com.pa

I would define the Minister in Charge of the Executive Branch as that member of the cabinet who, in the absolute or temporary absence of the President and the Vice President, is temporarily or absolutely in charge of the Executive Branch for a certain period or for the rest of the period.

Throughout our political history, the cases of Minister in Charge of the Executive Branch have not been numerous. In the four national constitutions that we have had, the figure of the Minister in Charge of the Executive Branch has been mentioned. Thus we see that in the first Magna Carta of the country of 1904, in its Article 81 it provides "When, for any reason, the absence of the President could not be filled by the Appointees, the Secretary of State appointed by a majority of votes shall exercise the Presidency. the Cabinet Council". The exception is made that both in the National Constitution of 1904 and 1941, the Vice President was called "Designated" and the Minister of State "Secretary". This arises when the second National Constitution of 1941 was promulgated, calling the Secretary Minister of State, and in the third National Constitution, of

1946, the Appointee was called Vice President.

In the Magna Carta of 1941, the Minister in Charge of the Presidency was enshrined in Article 116, stating that "When, for any reason, the absences of the President cannot be filled by the Appointees, the Presidency of the Republic will be exercised by one of the Ministers of State elected by them by majority vote. On the other hand, in the National Constitution of 1946, in its Article 150 it establishes that "When for any reason the absences of the President cannot be filled by the Vice Presidents, the Presidency will be exercised by one of the Ministers of State who meets the requirements to be President. of the Republic and that he be elected by them by majority vote".

In the fourth and last National Constitution of 1972, approved during the military regime, which has been reformed by the reformatory acts of 1978 and by the constitutional act of 1983, Legislative Acts No. 1 of 1993 and No. 2 of 1994, and Legislative Act No. 1 of 2004, currently states in its Article 187 in its third paragraph the following: "When for any reason the absences of the President cannot be filled by the Vice

President, one of the Ministers of State, that they will elect by majority of votes, who must meet the necessary requirements to be President of the Republic and will have the title of Minister in Charge of the Presidency". Thus, when delving into our national political history on the cases in which a Minister of State was in charge either temporarily or absolutely as Minister in Charge of the Executive Branch, we only found three cases.

The first case arises during the first administration of Dr. Arnulfo Arias Madrid, who was elected President of the Republic in the elections held on June 2, 1940, without any opposition since his contender, Dr. Ricardo J. Alfaro, withdrew from the electoral contest on the grounds that said elections did not offer the fundamental guarantees to hold a transparent electoral tournament, among other reasons.

At the beginning of that presidential period, just 16 days after taking office, Dr. Arnulfo Arias Madrid presented the draft of a new National Constitution to the National Assembly of Deputies and through a plebiscite held on January 15, 1940, it was approved overwhelming by 98.38% of the participating population, being enacted on January 2, 1941. Months later, President Arnulfo Arias Madrid secretly traveled to Cuba without authorization from the National Assembly as required, a fact that was used by his internal and external enemies to overthrow him, as an effect it happened.

On October 9, 1941, his Minister of Government and Justice, Ricardo Adolfo de la Guardia, took office as Minister in Charge of the Executive Branch for the rest of the term. This unlikely appointment resulted from the fact that in overthrowing President Arias Madrid, his First Designate (Vice President), Dr. José Pezet, was arrested and imprisoned to prevent him from replacing President Arias Madrid. The Supreme Court of Justice, considering that Dr. Arnulfo Arias Madrid had an unknown whereabouts, instead of calling the First Designee, agreed to call the Second Designee, Mr. Ernesto Jaén Guardia, to take charge of the Executive Branch.

When Don Ernesto Jaén Guardia took office, he confirmed his brother-in-law, Ricardo Adolfo de la Guardia Arango, as Minister of Government and Justice and

then resigned from the Presidency. With this, Cabinet Council elected Ricardo Adolfo de la Guardia Arango as Head of the Executive Branch, based on Article 116 of the National Constitution. These incredible events occurred despite the existence of a Third Designate (Vice President), Mr. Aníbal Ríos Delgado, who was the next in line of succession to take possession of the high position of President of the Republic. Mr. Ríos Delgado was holding the position of Ambassador of Panama in the Republic of Peru and, under threat, he was prevented from returning to the country.

Ricardo Adolfo de la Guardia Arango was Minister in Charge of the Presidency from October 9, 1941 to June 15, 1945, thus being the first example in our national history of a Minister in Charge of the Presidency of the Republic. In the brief government of Dr. Arnulfo Arias Madrid, he held the position of Minister of Government and Justice, from October 1, 1940 to October 9, 1941. Previously, in 1936, he held the position of Governor of the Province of Panama and in 1938 he was Superintendent of the Santo Tomás Hospital.

The second case observed in our political history of a Minister in Charge of the Executive Organ occurs in the presidential period of the Panamanian businessman and politician and liberal leader Don Roberto Francisco Chiari Remón, who achieved the electoral triumph for President of the Republic for the presidential period corresponding to October 1, 1960 to October 1, 1964. Incumbent President Roberto Francisco Chiari Remón was accompanied by Sergio González Ruiz as First Vice President and José Dominador Bazán as Second Vice President. During this presidential period, the First Vice President, Dr. Sergio González Ruiz, held the Presidency temporarily on two occasions: from July 19 to 24, 1961 and on another occasion for six days, from June 11 to 17, 1962 due to the absence of the Regular President Roberto Francisco Chiari.

For his part, the Second Vice President of the Republic, José Dominador Basán, was temporarily in charge of the Presidency from April 10 to 14, 1962. During this four-year presidential term, Dr. Bernardino González Ruiz was also in charge of the Presidency as Minister

in Charge. of the Executive Branch in the absence of the incumbent President and his two Vice Presidents of the Republic, constituting the second case seen in our political history of a Minister in Charge of the Executive Branch, Dr. Bernardino González Ruiz, from March 17 to 23, 1963. Dr. Bernardino González Ruiz received his doctorate from the Faculty of Medicine of the University of Paris. He was Minister of Labor, Social Welfare and Public Health, was a deputy, minister and President Minister in Charge of the Presidency of the Republic.

The third and last example contemplated in our national history occurs when in the general elections held on May 6, 1984, the victory of Dr. Nicolás Ardito Barletta as President of the Republic, Mr. Eric Arturo Delvalle as First Vice President and Mr. as Second Vice President Dr. Roderick Esquivel. In view of the resignation of former President Artido Barletta, Mr. Eric Arturo Delvalle assumed the Presidency of the Republic from September 28, 1985 to February 26, 1988. On February 26, 1988, both Mr. Delvalle as President and Dr. Roderick Esquivel as First Vice President of the Republic were dismissed by the Legislative Branch in a trial full of irregularities, and Lic. Manuel Solís Palma was appointed Minister in Charge of the Presidency for the rest of the term.

Lic. Solís Palma served as Minister of Education within the cabinet. Lic. Manuel Solís Palma was a student leader, Director of the Property Registry, Director of the Social Security Fund, was Deputy Minister and later Minister of Education, Director of Agrarian Reform and was finally appointed Minister in Charge of the Presidency, a position that served from February 26, 1988 to August 31, 1989.

In such a way that having made this count as a teaching, on the only cases of "Minister in Charge of the Presidency" in our national history, we can reach the following conclusions:

The Minister in Charge of the Executive Branch, from beginning in our legal system, in all cases, is elected by majority of votes of members of Cabinet Council. Originally, it was erroneously asserted

that only those who held the position of Minister of Government and Justice could exercise said position, based on the first antecedent, which fell on the figure of the Minister of Government and Justice at that time, Mr. Ricardo Adolfo de la Guardia, of the government of Dr. Arnulfo Arias Madrid.

Election of a Minister in Charge of Executive Branch by the Cabinet Council may fall to any of the members of the Cabinet Council, regardless of the portfolio they hold. In all our National Constitutions it is stipulated. For example, when Dr. Bernardino González Ruiz took charge of the Executive, he was Minister of Health and Social Welfare in the cabinet. Lic. Manuel Solís Palma served as Minister of Education.

In order to be elected by majority vote of the Cabinet Council as Minister in Charge of the Presidency, all applicants are equally constrained to meet the same requirements required by the National Constitution to be President, so, in our opinion, they must also be considered former Presidents of the Republic, with the same rights, duties and obligations to their high position and therefore have the same preeminence in performing each and every one of the functions and powersthatthePresidentoftheRepublichadat onetime.

Likewise, they must have a state funeral upon their death, regardless of the fact that they were not chosen for that position since, once they take office, either temporarily or for rest of the period, the Head of the Executive assumes each and every one of them of the obligations, duties and rights of the holder, such as appointing and dismissing ministers of state, coordinating the work of the Administration and public entities, objecting to the bills for considering them inconvenient or unenforceable, in short, all other extensive powers and responsibilities established in the Magna Carta.

Thesearetheonlythreeexamplesthatourpoliticalhistory contemplates of those citizens who came to hold the high position of Minister in Charge of the Presidency. *L&E*

## CONSUMER PRICE INDEX (CPI): JULY 2022

Source: GCRP

The National Urban CPI July/June experienced a decrease of 1.2%. The groups that presented losses were:

Transportation at 8.2% (this variation and the weighting of the "Transportation" Group, which corresponds to 16.8%, explain the drop in the Total Urban CPI); and Furniture, articles for the home and for the ordinary maintenance of the home 0.1%.

The reduction reflected in the Transportation group was due to decrease in two of its seven classes. The greatest variation was in class "Fuels and lubricants for personal transportation equipment" 19.0%, due to drop in price of fuel for automobiles.

The group Furniture, articles for the home and for the ordinary maintenance of the home registered a decrease in six of its eleven classes. The largest variations were "Home Textile Products" by 0.5%, due to the reduction in the price of bedding and shower curtains, and "Small tools and miscellaneous accessories" by 0.4%, due to the decrease in the price of light bulbs and batteries.

Groups Clothing and footwear; Health; Communications, and Recreation and culture reflected a slight variation, and Education remained unchanged.

The groups that showed increases were: Housing,

water, electricity and gas at 1.4%; Alcoholic beverages and tobacco 1.1%; Food and non-alcoholic beverages 1.0%; Restaurants and hotels; and Miscellaneous goods and services, both 0.2%.

The increase observed in the Housing, water, electricity and gas group was due to the rise in three of its eight classes. The greatest variation was in the class "Services for the conservation and repair of housing" at 10.5%, due to the rise in the price of repair services for housing.

The group Alcoholic beverages and tobacco presented growth in its four classes. The class with the greatest variation was "Wine" at 3.7%.

The increase reflected in the Food and non-alcoholic beverages group was due to the increase in nine of its eleven classes. The greatest variation was in the class "Legumes-Vegetables" 3.8%, due to the rise in the price of legumes and tubers. The Restaurants and hotels group reflected a rise in one of its two classes "Restaurants, cafes and similar establishments" by 0.2%, due to the growth in the price of meals and non-alcoholic beverages outside the home, and meals prepared to take away.

The increase registered in the Miscellaneous goods and services group was due to the increase in one of its ten classes, "Other appliances, articles and products

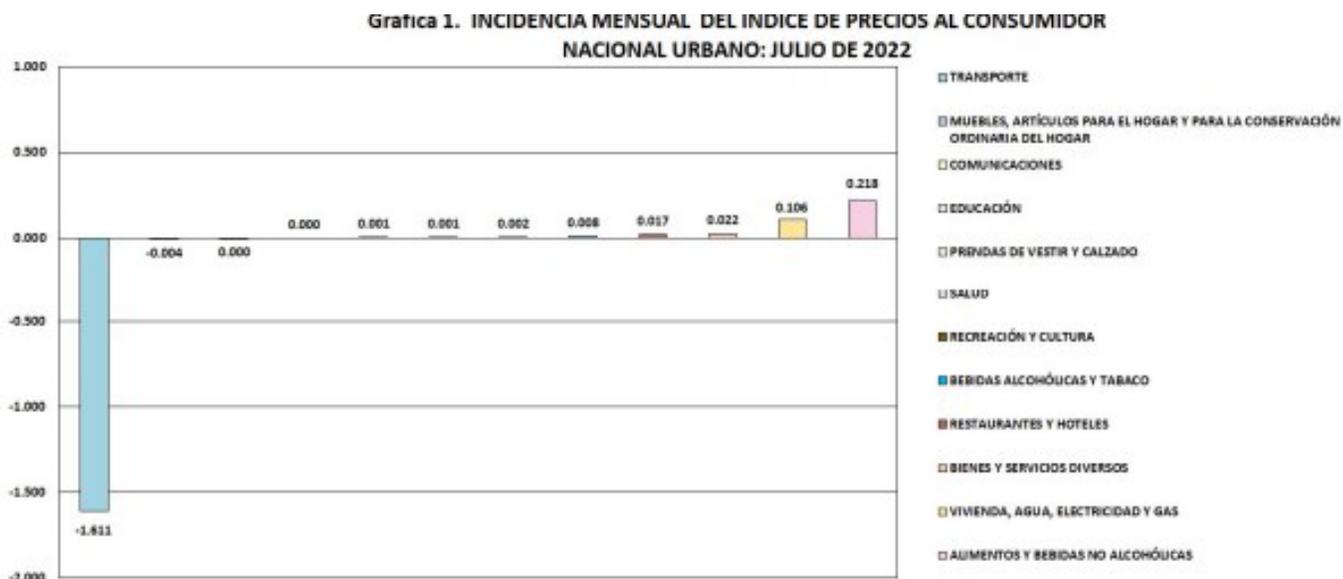
for personal care" by 0.6%, due to the rise in the price of personal care items, and beauty items.

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

The National Urban CPI presented an interannual variation of 3.5%. The groups that presented increases were: Transportation in 9.4%; Food and non-alcoholic beverages 4.8%; Restaurants and hotels 4.4%;

Housing, water, electricity and gas 2.6%; Education 2.5%; Furniture, articles for the home and for the ordinary maintenance of the home 1.4%; Alcoholic beverages and tobacco 1.2%; and Health 0.9%. The Communications group presented a slight variation. The groups that registered decreases were: Recreation and culture in 0.5%; and Clothing and footwear 0.2%.

**Below, the graph with the monthly incidence by group of the National Urban CPI for July 2022:**



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

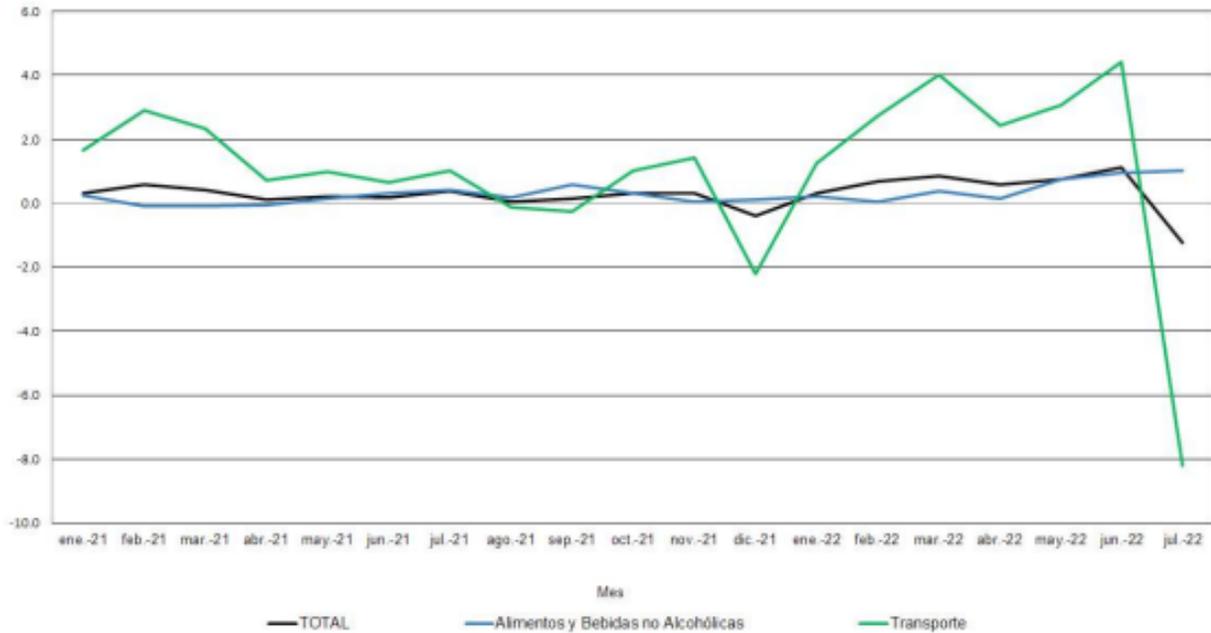
Grupo de artículos y servicios	Ponderaciones	Incidencia	Variación mensual
<b>TOTAL</b>	<b>100.0</b>	<b>-1.2</b>	<b>-1.2</b>
Alimentos y bebidas no alcohólicas	22.4	0.218	1.0
Bebidas alcohólicas y tabaco	0.7	0.008	1.1
Prendas de vestir y calzado	7.7	0.001	0.0
Vivienda, agua, electricidad y gas	8.5	0.106	1.4
Muebles, artículos para el hogar y para la conservación ordinaria del hogar	7.8	-0.004	-0.1
Salud	3.4	0.001	0.0
Transporte	16.8	-1.611	-8.2
Comunicaciones	4.3	0.000	0.0
Recreación y cultura	9.7	0.002	0.0
Educación	2.4	0.000	-
Restaurantes y hoteles	6.7	0.017	0.2
Bienes y servicios diversos	9.8	0.022	0.2

- Cantidad nula o cero.

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

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

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



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

Grupo de artículos y servicios	Variación porcentual mensual						
	2022						
	Enero	Febrero	Marzo	Abril	Mayo	Junio	Julio
<b>TOTAL</b>	0.3	0.7	0.9	0.6	0.8	1.1	-1.2
Alimentos y bebidas no alcohólicas	0.2	0.1	0.4	0.2	0.7	1.0	1.0
Bebidas alcohólicas y tabaco	0.3	1.5	-0.2	0.4	0.2	-0.9	1.1
Prendas de vestir y calzado	0.1	0.0	0.0	0.1	-0.2	-0.1	0.0
Vivienda, agua, electricidad y gas	-0.4	0.4	0.2	0.2	0.1	0.0	1.4
Muebles, artículos para el hogar y para la conservación ordinaria del hogar	0.2	0.7	0.0	0.0	-0.2	0.3	-0.1
Salud	0.1	0.0	0.5	0.1	0.0	0.0	0.0
Transporte	1.3	2.7	4.0	2.4	3.1	4.4	-8.2
Comunicaciones	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Recreación y cultura	0.0	0.1	-0.2	-0.2	-0.1	0.1	0.0
Educación	0.0	2.6	-	-	-	-	-
Restaurantes y hoteles	0.6	0.1	0.3	0.9	0.6	0.4	0.2
Bienes y servicios diversos	0.0	0.3	0.4	0.0	0.0	0.2	0.2

- Cantidad nula o cero

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

## MONTHLY INDEX OF ECONOMIC ACTIVITY (IMAE): JUNE 2022

Source: GCRP

The Monthly Index of Economic Activity (IMAE) in the original series presented, in June 2022, an interannual variation of 8.38%, when compared to the same month of the previous year and lower than the 33.24% registered twelve months ago; according to preliminary information compiled by the National Institute of Statistics and Census (INEC).

The accumulated average IMAE for January - June 2022 showed an increase of 13.22%, compared to the same period in 2021.

It is important to highlight that the economy maintains its recovery path, after the impact of the health emergency caused by COVID-19 and conflicts in the international arena.

On a year-on-year basis (June 2022-21), the activities that presented positive variations were: Community activities, where the provision of entertainment and leisure services continues to be favored, fundamentally, by the increase in revenue from gross bets in game rooms of luck and chance, mainly, the gaming tables of the casinos, type A slot machines and horse riding activities.

Commercial activity showed growth, influenced by re-exports in metric tons from the Colon Free Zone, in retail trade, as well as in the local wholesaler

and the sale of fuel for national consumption.

Construction presented a positive behavior, mainly due to the execution of public investments in infrastructure works and the gradual reactivation of some private projects; associated with the greater increase in supplies directly related to the activity, such as: gray cement and ready-mix concrete.

Services provided in hotels and restaurants maintained their levels, increasing income in food and beverage outlets.

The set of Transportation, storage and communications services showed a good performance, due to the dynamics sustained by the commercial movement in the Colon Free Zone, the movement of the TEU container system of the National Port System, telecommunications, net tons and income from tolls from the Panama Canal. Financial intermediation registered positive levels in financial services.

The fishing activity reported a positive rate, resulting from a greater capture of some export-oriented species, such as: Shrimp and fish and frozen fish fillet.

The Electricity and water category showed a slight increase, due to the generation of renewable electricity and the billing of drinking water.

The manufacturing industrial production showed a positive rate, due to the growth in some activities related to the production of food products such as the production of pork and alcoholic beverages such as beer and rum.

Another activity that improved their performance was domestic services.

Among activities that registered negative results, (June 2022-21) were: mining industry, registered a negative rate due to lower volume of exports of copper ore and its concentrate. Electricity production showed a lower generation of thermal electricity. Industrial production, reflecting a decrease in some food production activities such as: the production of milk derivatives and the production of beef.

The agricultural sector had a negative behavior in activities such as: Cattle breeding, banana cultivation and natural milk production. Health services provided by the private sector.

In the accumulated growth from January to June, economic categories that presented positive results were: Other community, social and personal service activities, Mining, Commerce, Construction, Hotels and restaurants, Transport, storage and communications, Financial intermediation, Fishing, Electricity and water, Public Administration, Manufacturing industry and Real estate, business and rental activities.

On the contrary, the sectors that showed negative accumulated rates were: Agriculture, Private households with domestic services, Private education services and Private health services. *L&E*

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## ECLAC RAISES PANAMA'S GROWTH PROJECTION TO 7% FOR 2022

Source: ECLAC

The Economic Commission for Latin America and the Caribbean (ECLAC) released its updated economic projections for the region in which it raised the estimated figure for Panama to 7% for the end of this year, higher than that announced last April, when it was 6.3%. With this, Panama consolidates its leadership in the region.

The organization forecasts that Latin America as a whole will grow by an average of 2.7%, in a context of strong macroeconomic restrictions that are hitting the economies of the region.

The countries of the region would be growing as follows: Panama 7%, Colombia 6.5%, Dominican Republic 5.3%, Uruguay 4.5%, Guatemala 4%, Honduras 3.8%, Argentina and Bolivia 3, 5% (See table below).

According to the report presented at a press conference held at the headquarters of the United Nations organization in Santiago, Chile, a sequence of crises has led to the scenario of low growth and inflationary acceleration presented by the global economy, which, together with the lower growth of trade, the appreciation of the dollar, and the tightening of global financial conditions will negatively affect the countries of the region.

*"In a context of multiple objectives and growing*

*restrictions, a coordination of macroeconomic policies is required to support the acceleration of growth, investment, the reduction of poverty and inequality, while confronting inflationary dynamics",* declared Mario Cimoli, Acting Executive Secretary of ECLAC, at the launch of the 2022 Economic Study.

The document highlights that the countries of Latin America and the Caribbean face a complex economic panorama in 2022 and in the years to come. Added to the lower economic growth are strong inflationary pressures, low dynamism in job creation, falls in investment and growing social demands. This situation has translated into great challenges for macroeconomic policy, which must reconcile policies that promote economic reactivation with policies aimed at controlling inflation and making public finances sustainable.

Added to the complex internal scenario of the region is an international scenario in which the war between the Russian Federation and Ukraine has caused growing geopolitical tensions, less dynamism in global economic growth, less food availability and increases in the price of energy that The inflationary pressures that had been occurring as a result of the supply shocks generated by the coronavirus disease (COVID-19) pandemic have increased, the report states. *L&E*



## PASSENGER TRAFFIC INCREASED AT THE TOCUMEN INTERNATIONAL AIRPORT BY 138%

**A**ccording to information provided by the Tocumen International Airport, passenger traffic showed a growth of 138% between the months of January and June 2022 compared to the same period of the previous year.

In the general balance of the movement of passengers, made public with the Airport, it is indicated that 4 million 287,884 additional passengers have been served, which gives a total of 7 million 304,205 users so far in the year 2022.

Source: Tocumen International Airport

They highlight that the number of operations up to June this year registered 63,986 aircraft movements on its two runways, 87% more than last year, which represents 29,684 additional operations.

Regarding the transport of merchandise, it was observed that the cargo operators established at the Tocumen International Airport have managed 118,996 metric tons of merchandise, that is, 33% more than in the first six months of the year 2021, which shows an increase between January to June 2022 of 29,588 tons. *L&E*

# WORLD ECONOMY

## IDB AND UPU JOIN TO MODERNIZE POSTAL SERVICES IN LATIN AMERICA

Source: IDB

The Inter-American Development Bank (IDB) and the Universal Postal Union (UPU) signed an agreement to modernize and transform postal services in Latin America and the Caribbean in order to promote integration and trade in the region, strengthen supply chains value, and drive the digital economy.

Postal services have unparalleled advantages to act as trade facilitators, having a network that can reach the most remote areas, transaction logistics, and links with other postal services and key players in the trade process, such as customs and airlines. Improving these postal services throughout the region can facilitate trade and promote the digital economy, especially for small and medium-sized enterprises (SMEs), which represent 99% of firms in the region.

*"Posts have the mandate and infrastructure to serve people anywhere in every country, making them a powerful engine for economic development and inclusion. We are pleased to work with the IDB to*

*help post offices throughout Latin America and the Caribbean transform to deliver modern benefits and maximize benefits to communities and businesses in the region,"* said Masahiko Metoki, CEO of the UPU. *"We are extremely pleased to announce this partnership with the UPU, which puts into practice our shared vision of the potential of modern postal services to boost connectivity, trade and value chains in the region, all pillars of Vision 2025, the IDB's agenda to promote inclusive growth,"* said IDB President Mauricio Claver-Carone.

The alliance will allow the IDB to support the countries' efforts to incorporate the international guidelines and standards issued and promoted by the UPU. In addition, both institutions will collaborate on trend data research and identify existing gaps in postal services. The agreement includes sharing best practices and experience in the modernization processes of postal services at a global level that can be adapted and replicated in the region. *L&E*

## MERCHANDISE TRADE BAROMETER INDICATES STAGGATION IN WORLD TRADE GROWTH

Source: WTO

The level of the WTO Barometer on Trade in Goods, published most recently on 23 August, remains stable, although below the recent trend shown in this area, which seems to indicate that world merchandise trade continued to grow in the second quarter of 2022 but that the pace of growth was lower than in the first quarter and will probably remain weak in the second half of the year.

The Merchandise Trade Barometer is a composite leading indicator of world trade, providing real-time information on the trajectory of merchandise trade relative to recent trends.

The latest reading of 100.0 exactly matches the benchmark value of the index, indicating a trending trade expansion.

However, the headline barometer remains below a supplementary index representing actual merchandise trade volumes, suggesting that year-on-year trade growth may slow further but remain positive when official Q2 statistics become available. , with trade simultaneously weighed down by the conflict in Ukraine and buoyed by the lifting of COVID-19 lockdowns in China.

The volume of world merchandise trade stabilized with year-on-year growth slowing to 3.2% in the first quarter of 2022, from 5.7% in the fourth quarter of 2021.

The slowdown in Q1 only partly reflected the impact of the conflict in Ukraine, which broke out at the end of February. Lockdowns in China also weighed heavily on trade in the first quarter.

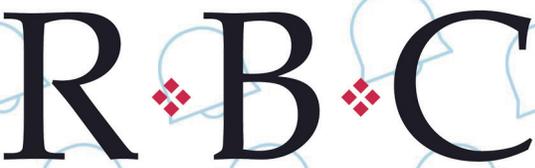
The commodity barometer components are a mixed bag, with most indices showing trending or below trend growth. The Prospective Export Orders Index (100.1) is trending but has turned down again. The Automotive Products Index (99.0) is only slightly below trend, but has lost its upside momentum.

The Air Cargo (96.9) and Electronic Components (95.6) indices are below trend and pointing lower, while the Commodities Index while the Commodities Index (101.0) has recently increased slightly above trend. The main exception is the container shipping index (103.2), which has risen firmly above trend as shipments through Chinese ports have risen with the easing of the COVID-19 downturn.

The latest barometer reading is consistent with

the latest WTO trade forecast from last April, which forecast 3.0 per cent growth in the volume of world merchandise trade in 2022. However, the uncertainty surrounding The forecast has increased due to the ongoing conflict in Ukraine, rising inflationary pressures, and the expected tightening of monetary policy in advanced economies.

A revised forecast will be published in early October. The full Merchandise Trade Barometer is available here. More details on the methodology can be found in the technical note. *L&E*



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## BY 2022, THE REGION IS EXPECTED TO RETURN TO THE LOW GROWTH PATH OBSERVED BEFORE THE COVID-19 PANDEMIC AND WOULD GROW ON AVERAGE 2.7%

Source: ECLAC

The Economic Commission for Latin America and the Caribbean (ECLAC) released today its annual report Economic Survey of Latin America and the Caribbean 2022: dynamics and challenges of investment to promote a sustainable and inclusive recovery, in which it projects economic growth for the current year of 2.7% average, in a context of strong macroeconomic restrictions that are hitting the economies of the region.

According to the report presented at a press conference held at the headquarters of the United Nations organization in Santiago, Chile, a sequence of crises has led to the scenario of low growth and inflationary acceleration presented by the global economy, which, together with the lower growth of trade, the appreciation of the dollar, and the tightening of global financial conditions will negatively affect the countries of the region.

*"In a context of multiple objectives and growing restrictions, a coordination of macroeconomic policies is required to support the acceleration of growth, investment, the reduction of poverty and inequality, while confronting inflationary dynamics",* declared Mario Cimoli, Acting Executive Secretary of

ECLAC, at the launch of the **2022 Economic Study**.

The document highlights that the countries of Latin America and the Caribbean face a complex economic panorama in 2022 and in the years to come. Added to the lower economic growth are strong inflationary pressures, low dynamism in job creation, falls in investment and growing social demands. This situation has translated into great challenges for macroeconomic policy, which must reconcile policies that promote economic reactivation with policies aimed at controlling inflation and making public finances sustainable.

Added to the complex internal scenario of the region is an international scenario in which the war between the Russian Federation and Ukraine has caused growing geopolitical tensions, less dynamism in global economic growth, less food availability and increases in the price of energy that The inflationary pressures that had been occurring as a result of the supply shocks generated by the coronavirus disease (COVID-19) pandemic have increased, the report states.

ECLAC projects that South America will grow by 2.6%

(compared to 6.9% in 2021), the group made up of Central America and Mexico by 2.5% (compared to 5.7% in 2021) and the Caribbean—the only subregion to grow more than in 2021—by 4.7%, not including Guyana (compared to 4.0% in the previous year).

The 2022 Economic Study also shows that the conflict in Ukraine intensified the upward dynamic that the prices of basic products had already shown since the second half of 2020, causing some of them to reach historical levels. For the average of the region, the effect is mixed, and a 7% drop in the terms of trade of basic products is projected.

Inflation, for its part, has continued to rise, standing at a regional average of 8.4% as of June 2022, which is equivalent to more than double the average value recorded in the 2005-2019 period. At the subregional level, it can be seen that in June 2022 the economies of South America had the highest level of inflation on average (8.8%), followed by the economies of the group made up of Central America and Mexico (7.5%) and those from the English-speaking Caribbean (7.3%). This has led central banks to increase their monetary policy rates and reduce monetary aggregates.

On the other hand, the slowdown in economic activity is restricting the recovery of labor markets, especially for women. While the male unemployment rate went from 10.4% at the end of the second quarter of 2020 to 6.9% at the end of the first quarter of 2022, presenting a reduction of 3.5 percentage points, the female unemployment rate registered a decrease of 2.1 percentage points in the same period, going from 12.1% to 10.0%.

Likewise, at the end of first quarter of 2022, female labor participation rate (51.4%) presents a greater lag than male participation rate (74.2%). This lag in reintegration of women into the labor market is

conditioned by the delay in the recovery of economic sectors that concentrate female employment and by the increase in the need for care that manifested itself strongly after the start of the pandemic.

In its second part, the ECLAC report emphasizes that beyond the dynamics of the economic cycle, the low growth of investment in the last three decades has become a structural limitation of development. Therefore, reactivating the investment dynamic is central to sustainable and inclusive growth, since investment is the bridge between the short and medium term and is essential to face climate change.

Between 1951 and 1979, gross fixed capital formation (investment) in real terms grew by an average of 5.9% per year, while between 1990 and 2021 the average growth rate of investment was only 2.9% per year.

For this reason, ECLAC makes an urgent call to increase investment in Latin America and the Caribbean, which was at the lowest levels at the end of 2021 compared to other regions.

To achieve the latter, greater coordination between fiscal, monetary, and exchange rate policy is necessary, as well as taking advantage of the set of tools available to the authorities so as not to subordinate growth and investment to anti-inflationary policy. In addition, macroeconomic efforts must be complemented by industrial, commercial, social and care economy policies, the document indicates.

Likewise, it is emphasized that an important part of the financing to increase investment must come from the mobilization of internal resources, but international cooperation must accompany this process. Therefore, official development assistance and financing from global financial institutions and development banks must be increased significantly. *L&E*

**América Latina y el Caribe: nuevas proyecciones de crecimiento 2022**

	Crecimiento del PIB
	2022
<b>América Latina y el Caribe</b>	<b>2,7</b>
<b>América Latina</b>	<b>2,6</b>
<b>América del Sur</b>	<b>2,6</b>
Argentina	3,5
Bolivia (Estado Plurinacional de)	3,5
Brasil	1,6
Chile	1,9
Colombia	6,5
Ecuador	2,7
Paraguay	0,2
Perú	2,5
Uruguay	4,5
Venezuela (República Bolivariana de)	10,0
<b>América Central</b>	<b>4,1</b>
<b>América Central y México</b>	<b>2,5</b>
Costa Rica	3,3
Cuba	3,0
El Salvador	2,5
Guatemala	4,0
Haití	-0,2
Honduras	3,8
México	1,9
Nicaragua	3,0
Panamá	7,0
República Dominicana	5,3
<b>El Caribe</b>	<b>10,2</b>
<b>El Caribe (excl. Guyana)</b>	<b>4,7</b>

## CEPAL REVIEW PRESENTS STUDIES ON THE EFFECTS OF UNCERTAINTY ON ECONOMIC GROWTH, COMMODITY PRICES AND THE MIDDLE INCOME TRAP IN LATIN AMERICA AND THE CARIBBEAN

Source: ECLAC

Uncertainty maintains a direct correlation with inflation and with the volatility of three macroeconomic variables: the inflation rate, the gross domestic product (GDP) and the real exchange rate of the economies.

In the article entitled "Uncertainty and economic growth: lessons from Latin America", Daniel Aromí, Professor at the Faculty of Economic Sciences of the University of Buenos Aires (Argentina) and the Faculty of Economic Sciences of the Pontifical Catholic University of Argentina, together with Professors from the Department of Economics at the Universidad Nacional del Sur (Argentina), Cecilia Bermúdez and Carlos Dabús, explore the effect of uncertainty on economic growth in Latin America between 1960 and 2016, a period defined by stages of social unrest and by a high political and economic instability.

Along with considering that uncertainty maintains a correlation with inflation and with the volatility of three macroeconomic variables: inflation rate, GDP and real exchange rate, the authors point out that the empirical evidence indicates that uncertainty is detrimental to growth, in especially when it reaches high levels. They add that higher inflation and volatility in output and inflation promote an atmosphere of uncertainty that discourages long-term productive investment and reduces economic growth.

They conclude that policymakers in the region could reduce instability and improve economic performance by adopting stronger countercyclical policies to further stabilize prices and output fluctuations.

For their part, in the article "The prices of basic products and the phenomena of capital movement in emerging economies", researchers from the Department of Rural Economy (DER) and the Department of Economics (DEE) of the Federal University of Viçosa (Brazil), Eliene de Sá Farias, Leonardo Bornacki de Mattos, and Fabrício de Assis Campos Vieira, analyze the relationship between commodity prices and some observed phenomena in capital movements in a group of selected emerging economies.

Their results show that emerging economies suffer a greater number of episodes of phenomena that reduce capital inflows or outflows compared to developed economies. These economies are more likely to present a reduction in financing, depreciation of the current account of the balance of payments and negative impacts on their growth.

The analysis carried out for all the countries in the sample (15 in total) allows us to conclude that there is indeed a relationship between the price of basic products and the episodes of the phenomena related to the movement of capital by residents. The results also show that this relationship becomes significant for the capital of non-residents when the study focuses on countries with large export volumes of basic products, such as soybeans, minerals and oil.

Meanwhile, in the article "Innovation at the level of companies, government policies and the middle income trap: lessons from five Latin American economies", the economics professors at Mount Holyoke University

(United States), Eva Paus and Michael Robinson, they argue that fostering innovation and ensuring it is broad-based is critical to escaping the middle-income trap. Promoting it at the national level is a complex and multidimensional process, in which companies play an essential role.

The authors indicate that the empirical conclusions of their study support the application of active public policies to foster innovation in Latin America. In the first place, the results show that policies related to innovation and competitiveness are interrelated.

They explain that the characteristics that make firms more likely to use inputs for innovation are exports, the use of virtual connections to interact with customers, and obtaining internationally recognized certifications in production standards. Hence, providing companies with a quality broadband infrastructure that allows them to access the Internet and supporting them to obtain these international certifications is important to increase their competitiveness and improve the chances that they will participate in innovation activities..

In this new edition, CEPAL Magazine includes a total of 10 articles by renowned international experts and professors, who analyze various topics related to the economic and social situation of a series of Latin American countries. In addition to the studies already mentioned, research on economic complexity and human development is also published; the systemic nature of technological development; the production and profitability of the agricultural sector in Ecuador; inequalities in participation in the digital society in Brazil and Chile; and an analysis of the Argentine automotive chain from the convertibility crisis, among other topics. *L&T*



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# Capsule Environmental



## BEGINS CONSTRUCTION OF THE FIRST GOVERNMENT HOSPITAL FOR WILDLIFE

The first phase of the project is expected to be ready within a year.

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

**T**he dream is already a reality. Construction has already begun on the first phase of the country's first wildlife veterinary hospital. The government medical center will be located within the Camino de Cruces National Park, a space with a rainy tropical climate, with great vegetation; a suitable place for the rehabilitation of animals.

In May of this year, the Minister of Environment, Milciades Concepción, gave the order to proceed to the company Constructora Mercosur, S.A., in charge of building this important work, so necessary for the care of hundreds of animals that are affected by various causes, mostly anthropogenic.

And it is that currently there is no optimal space for care of wild animals.

There is a great demand, data from the Directorate of Protected Areas and Biodiversity indicate that in 2019 there were 319 rescues, in 2020 there were 508, and 723 in 2021. While so far in 2022, 264 have been reported, for it is expected that by the end of the year there will be more than 700.



The approximate area allocated to the project is 1,000 square meters that will include: Laboratory, Surgical Room, X-Rays, Hospitalization Rooms, Pre-Surgical Room, Gray Room, Cold Room, Laundry, Parasitology, Intensive Care Room, Microbiology,

Supplies Warehouse, and Microscopic Diagnosis.

It will also have modules adapted to the natural ecosystem of the animals and a house for the medical team that will work in rotating shifts.

The project has two stages, the first is called the Study, Design and Construction of a Veterinary Clinic for wildlife, which has an investment cost of \$840,697.81, while the second includes the equipment and search for personnel.*L&E*





# Capsule

## Psychological

### THE ANXIETY

Claudia Cubas - Assistant  
claudia.cubas@rbc.com.pa

**A**nxiety is a part of human existence, all people feel a moderate degree of it, this being an adaptive response. Anxiety continues to be a topic of great importance for Psychology; its incorporation is late, being treated only since 1920, approaching from different perspectives. According to the Dictionary of the Royal Spanish Academy (RAE), the term anxiety comes from the Latin *anxietas*, referring to a state of agitation, restlessness or anxiety of the spirit, and assuming one of the most frequent sensations of the human being, this being a complicated emotion and unpleasantness that manifests itself through emotional tension accompanied by a somatic correlate.



According to the father of psychoanalysis Sigmund Freud, anxiety is something that is present in all people from birth. This is because when we are in our mother's womb, it can be said that we are safe, protected from any element and external situation, however, when we are born, this changes radically.

Psychoanalytic theory holds that the anxiety with which the psychoneurotic struggles is a product of the conflict between an unacceptable impulse and a counterforce applied by the ego. Freud conceived anxiety as an unpleasant affective state in which phenomena such as apprehension, unpleasant feelings, disturbing thoughts and physiological changes that are associated with autonomic activation appear. This author identifies subjective and physiological phenomenological elements, the former being the most relevant from his point of

view, adding that it is the subjective component that implies, in itself, the discomfort typical of anxiety. On the other hand, adaptive character, acting as a signal in the face of real danger and increasing the activation of the organism in preparation to face the threat.

**In addition, Freud (1971) identifies three theories about anxiety:**

1) **The real anxiety that appears before the relationship established between the self and the outside world; it manifests itself as a warning for the individual, that is, it warns him of a real danger that exists in the environment that surrounds him.**

2) **Neurotic anxiety, which is more complicated, is also understood as a danger signal, but its origin must be sought in the repressed impulses of the individual, this being the basis of all neuroses;**

**it is characterized by the lack of an object, the memory of the punishment or traumatic event being repressed, the origin of the danger is not recognized; In addition, danger is related to punishment contingent on the expression of repressed impulses, which allows us to recognize the superiority of this anxiety with respect to the objective difference between real external danger and danger of internal and unknown origin. Regarding the first, he points out that objective anxiety or fear of said neurotic anxiety occurs when the ego tries to satisfy the instincts of the id, but such demands make him feel threatened and the subject fears that the ego cannot control the id.**

3) **Moral anxiety is known as shame, that is, here the super-ego threatens the subject with the possibility that the ego loses control over impulses.** *L&E*

## EL ELLO, EL YO Y EL SUPERYÓ



# #TRENDING TOPIC

## EVERYTHING AND NOTHING IS TRENDING TOPIC

Ivana Herrera- Abogada  
ivana.herrera@rbc.com.pa

In the present that we live, we can define the word Trending as the actuality of the moment, but what is the moment? A few seconds, minutes, hours or days? We are currently living at an accelerated pace, every so often we live being "bombarded" by different topics, videos, #hashtags on social networks, in a single day we can have several topics and at the same time next day we turned the page as if it had never happened. It seems that time is passing faster than usual, and in a certain way it is what is happening, this fact was scientifically bought on June 29, 2022, the planet Earth has registered a very unusual record, since the year 1960 when the shortest day was recorded, when scientists began to measure

the rotation of the planet with some atomic clocks.

As is well known, the Earth completes one revolution on its own axis every 24 hours, which marks a cycle of day and night. But last June 29, 2022 was the exception since midnight arrived 1.59 milliseconds earlier than expected.



This has generated even more concern, since in recent years, the days are getting shorter, for example, in 2020, the year in which the covid-19 pandemic was declared, the planet had 28 shorter days recorded in the last 50 years and the one that had the most reduction was on July 19,

which was 1.47 milliseconds of the 86 thousand 400 seconds that are those that are made up in 24 hours.

Many factors can affect how fast the Earth rotates, including weather and geological movements, so you'll need to keep a close eye on these irregular changes from now on to take appropriate action should it become a regular occurrence.

Although this effect is too small for humans to notice, it can accumulate over time, and can cause effects on modern satellite communication and navigation systems that depend on time, whether they are consistent with the conventional positions of the Earth. moon, sun and stars.

Time is a tool created by the human being with which the duration or separation of events is measured, it allows events to be ordered in sequence, establishing a past, a future and a third set of events neither past nor future with respect to another , was created to establish an order.

However, despite the fact that it seems so real, time is only a perception, a sensation, Albert Einstein came to show that both time and space are different for each person who perceives it. For the theory of relativity motion is very important. An experiment was done that conclusively demonstrated this.

Space-time is an illusion and everything exists only in the present moment.

Our perception of time is accelerated and this may be why we have so many "Trending Topics", however, let us always remember to live in the here and now in the present. *L&E*



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# Agenda Cultural

Por: Mariela de Sanjur  
mariela.sanjur@rbc.com.pa



## THEATER

- Pacific Theater: tickets in [panatickets.com](http://panatickets.com) and <https://teatropacific.net>
  - o Los Inolvidables 2022 from August 16 to September 11.
  - o The applause goes inside from August 25 to September 18.
  - o The Kingdom of OZ.
  - o The applause goes inside until September 18.
  - o Poli Circus With Dancers and Polipuppets from September 3 to 11.
  - o Sister Act 2022 from September 20 to 24.
- La Plaza Theater: tickets 6258-3964 and [panatickets.com](http://panatickets.com)
  - o Marriage Caught by the Hair from September 14 to October 1.
- Aba Theater: tickets 6615-2444.
  - o My grandmother is a bomb from September 1 to 4.
  - o Moana since 9/11.
- National Theater: tickets [panatickets.com](http://panatickets.com)
  - o School Of Rock The Musical September 15 to 25.
- En Circulo Theater: tickets [panatickets.com](http://panatickets.com)
  - o Harlequin servant of two patrons on September 3
  - o Stand Up 50 and Fabulous and Achacosa with Gloria Quintana.
- La Estación Theater:
  - o Roommate wanted from September 7 to 10.
  - o The Picture of Dorian Gray.
- Balboa Theater:
  - o Tribute to Maestro Edmundo de la Cruz, Great Panama Folkloric Ballet Music and Dance on September 10 tickets at 6720-6785.

## MUSEUMS

- Canal Museum:
  - o The Exhibition Planet or Plastic? from National Geographic Society until December 30, 2022.
- MAC: WhastApp 6598-0014.
  - o Magical Graphic Tropic inauguration on August 18 until January 2023.
  - o Julio Zachrisson an artist between two shores opening on August 18.
  - o The MAC container: Save Seeds in the Hair Exhibition at the Mirador del Pacifico in the Cinta Costera from September 1 to October 2, 2022
  - o See on Instagram [@mac\\_panama](https://www.instagram.com/mac_panama) the calendar of activities for September.
- Biomuseum:
  - o Sept. 3: "Architectural Experience" guided tour, free entry.
  - o Sept. 10: Workshop: Diorama of marine species, free admission.
  - o Sept. 11: Conversation "The Marine Corridor of the Eastern Tropical Pacific", free admission.
  - o Sept. 17: The Biomuseo market.
  - o Sept. 24: Workshop "Create your own mola inspired by the oceans cost \$40.00.
  - o Sept. 25: "Secrets of Divided Oceans" Guided Tour, Free Admission.

## ACTIVITIES, CONCERTS AND PARADES

- Sinergia Tour 2022 Myriam Hernandez on September 22 at the Anayansi Theater.

- Panama Fashion Week / American Trade Hotel from September 27 to 29 tickets at Panatickets.com
- Panama Fashion Week/ La Manzana Casco Antiguo from October 30 to 2, tickets at Panatickets.com.
- Giselle at the Anayansi Theater on September 27 tickets at Panatickets.com
- Miss Universe Panama 2022 Coronation Grand Gala at the Vasco Nuñez de Balboa Convention Center/ Hotel Panama on September 2. Tickets at Panatickets.com.
- Beyond Van Gogh in the Atlapa Islands from September 14. Tickets at ticketpluspty.com and Panatickets.com
- Gilberto Santa Rosa at the Roberto Durán Arena on September 2nd. Tickets at ticketpluspty.com.
- Latin Urban Festival at the Roberto Durán Arena on September 15. Tickets at ticketpluspty.com.
- The Knowledge of the City: The July protests: how?, what?, and where? Registration at <https://ciudadelsaber.org/evento>.
- Events of the Month of the Oceans at the Panama American Center from September 9 to 17. <https://www.eventbrite.com/e/eventos>
- National Symphony Orchestra concert of works by Ludwig van Beethoven at the Balboa Theater on September 1st.
- Panama -Korea Cultural heritage Photographic exhibition at the Juan Manuel Cedeño gallery in the Bovedas-Plaza de Francia from September 1 to 9.
- Great maternal beauty walk on September 4 at the Mirador el Pacifico of the Cinta Costera.
- Carrer de septa relay for life in favor of Fanlic from September 1 to 18.
- Massive 2022:
  - o Gladys Vidal Theatre: screenings of Japanese films from September 1 to 3.
  - o Bazar Geek in the Hatillo Building on September 3.

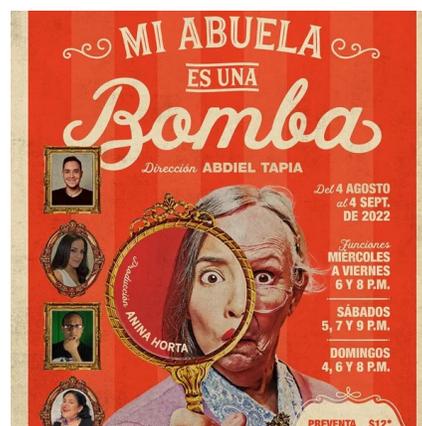
## FAIRS

- Capac Expo Habitat 2022 at the Panama Convention Center from September 1 to 4.
- Parade of the Flowers of the Highlands on September 9 and 10, at the San Benito Agricultural College in Volcán.

- The International Sea Fair in Bocas del Toro from September 13 to 18 in Isla Colón.
- Marjoram Festival in Guararé from September 22 to 27.
- Tourism Fair at the Soho City Center from September 24 to 25.
- Peasant Week in Mi Pueblito on September 17 and 18.

## VARIOUS ACTIVITIES

- Month of the Oceans.
- Indigenous Women's Day September 5.
- Signing of the Torrijos Carter treaties on September 7, 1977.
- Rosh Hashanah, the Jewish New Year, September 26-27.
- Nativity of the Blessed Virgin Mary September 8.
- Our Lady of the Prado, Tolé September 8.
- International Literacy Day September 8.
- Santa María La Antigua September 9.
- World Family Day September 10.
- International Day of Democracy September 15.
- International Day for the Prevention of the Ozone Layer, September 16.
- International Day of Peace September 21.
- Alzheimer's Day September 21.
- Book Week September 22 to 29.
- Virgin of Mercy, September 23.
- Saint Vincent de Paul, September 27.
- World Tourism Day, September 27.
- Feast of Holy Angels (San Miguel, San Rafael and San Gabriel), September 29.
- World Heart Day September 29.
- International Translator's Day September 30. *L&E*



## *Alianzas alrededor del Mundo*

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

**Guevara & Gutiérrez S. C. Servicios Legales- BOLIVIA**

**Machado Associados Advogados e Consultores- BRASIL**

**DSN Consultants Inc- CANADÁ**

**Lewin & Wills Abogados- COLOMBIA**

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