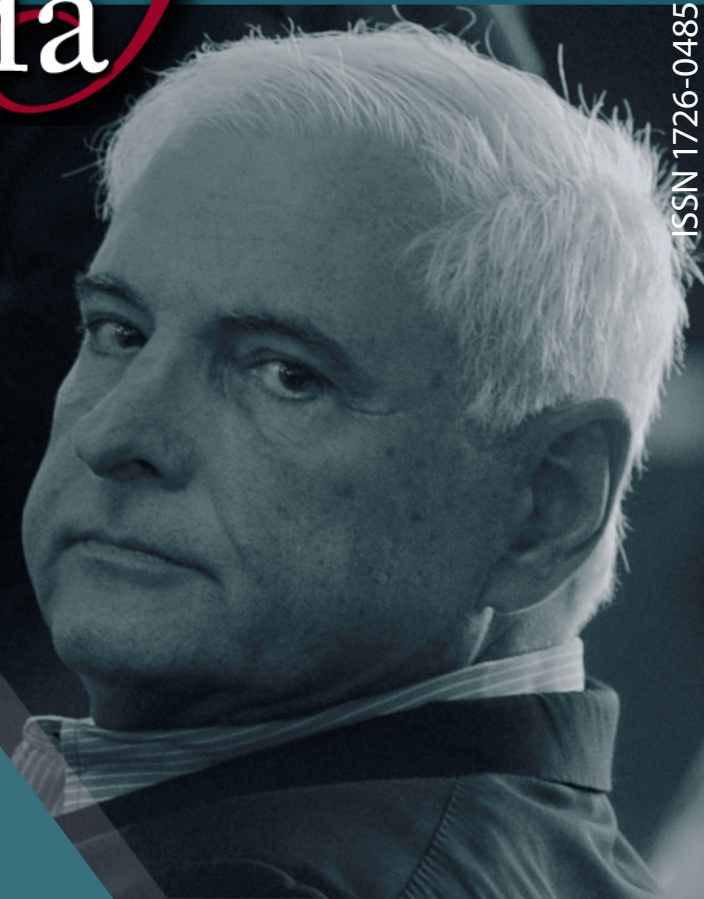


Legislación Economía

ISSN 1726-0485 edición July '18

**A DOCTRINAL VIEW TO
THE MARTINELLI CASE**



**LÓPEZ OBRADOR:
50 MEASURES OF
AUSTERITY AND
TRANSPARENCY FOR
MEXICO**

**Facebook, Twitter, Netflix,
Google and others suffer
falls in their accounts**



rbc.com.pa

Consejo Editorial

Colaboradores en esta edición

José Javier Rivera J.
Rafael Fernández Lara
Giovana del C. Miranda Garzola
Ailen Galván
Ivana Herrera
Augusto García
Idalia Ballesteros
Milena Vergara
Lisbeth Martez

Casilda Quiroz
Lidia Domínguez
David Rodríguez
Ana Sofía Corrales
Mariela de Sanjur
Donna Ballestero
Gabriela Melgar

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

Portada y Diagramación:
Virginia Medina

Fotografía:
Mariela De Sedas de Sanjur



Rivera, Bolívar y Castañedas



@rbcabogados



RBC Abogados

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



La Firma Rivera, Bolívar y
Castañedas manifiesta su profunda
tristeza por el sensible fallecimiento
de nuestro compañero y amigo.

Rodrigo Gordón
1976-2018

Quien en vida fue nuestro Ingeniero
en Sistemas.

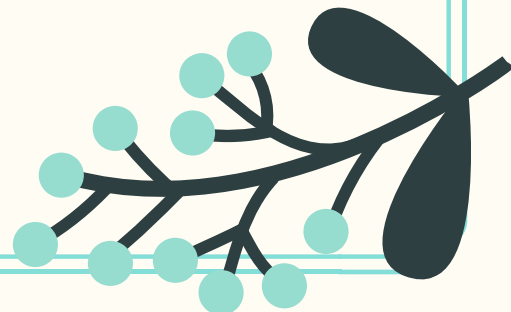
Hacemos llegar a su esposa, hija,
padres, familiares y amigos,
nuestras más sentidas palabras de
condolencia y solidaridad por tan
irreparable pérdida.



Rodrigo siempre se distinguió por ser un líder natural, un compañero extraordinario en todas las iniciativas que acometió la Firma no solamente en el ámbito tecnológico, cultural, deportivo y de solidaridad humana.

Nunca pregunto cómo, cuándo, dónde a qué hora, sino que vistió el uniforme del voluntariado sin límite, y por eso tendrá un lugar preponderante en la mente y el cuerpo de esta familia de RBC.

Su ejemplo es difícil de igualar porque siempre fue un polifacético, pero dando siempre alegría y espíritu de cuerpo.



JULY 2018

Editorial

06



Facebook, Twitter, Netflix, Google and others suffer falls in their accounts

Content

26. Politics

THE PERFECT CANDIDATE TO GOVERN

29. Panamanian Economy

MAIN MONTHLY ECONOMIC INDICATORS:
JANUARY-MAY 2017-18

34. World Economy

DIRECT FOREIGN INVESTMENT IN LATIN AMERICA AND THE CARIBBEAN FALLS FOR THE THIRD CONSECUTIVE YEAR IN 2017 AND COMES TO 161,673 MILLION DOLLARS

55. Environmental Capsule

INTERNATIONAL DAY OF CONSERVATION OF THE MANGROVE ECOSYSTEM

56. Illustrious People

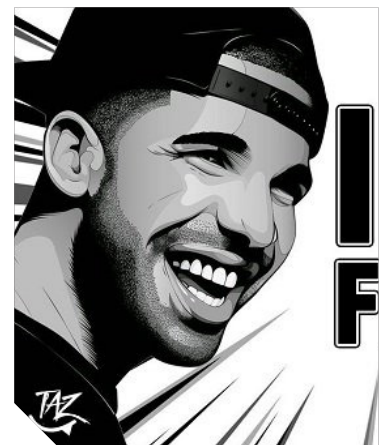
LOPEZ OBRADOR: 50 MEASURES OF AUSTERITY AND TRANSPARENCY FOR MEXICO

61. Trending Topic

63. Sports Capsule

69. Fashion

71. Cultural Capsule



61

TRENDING TOPIC: IN MY FEELINGS CHALLENGE

Invited
Writer 09

A DOCTRINAL VIEW
TO THE MARTINELLI
CASE

Norms
of interest

GENDER PARITY

12



Consult
Doctrine &
Jurispru-
dence

IMPOSSIBILITY OF COLLECTION AND
CALCULATION OF SUPERVISORY
RATE APPLICABLE TO REGISTERED
INVESTMENT COMPANIES

17



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

Editorial

Facebook, Twitter, Netflix, Google and others suffer falls in their accounts

The technological groups known as Faangs have had inordinate investment returns in recent years because they have a very broad spectrum that generates an appetite for consumers and also for investors. This acronym Faangs that includes Facebook, Amazon, Alphabet, Netflix and Google, most of them with market values that exceed five hundred billion dollars.

Consumers use Google for maps, search and video, Amazon for all their retail pur-

chases, Netflix for entertainment in their homes and through their cell phones and tablets, Facebook for social networks, Apple for a large part of mobile devices and for therefore they constitute a kind of blanket that surrounds the entire universe. However, after presidential elections in the United States, Facebook users learned that this company had shared their data with Cambridge Analytica and as if that weren't enough, in the case of US voters, it turns out that In turn, this in-

formation could have been used by the Russian government to influence the elections. On the other hand, a global file has been opened that claims the right of subscribers to their privacy and in different ways governments have begun to intervene to try to limit commercialization and induction of this information for purposes not consented by users.

There are other concerns about the level of seduction these companies have, even to completely abstract people in the areas of work, study centers, driving vehicles and other sensitive equipment that are causing harmful effects to the health of young people and Adults. However, there is another reality that should be discussed and refers to the public and notorious fact that Donald Trump in his capacity as president of the United States, is a tireless user of Twitter and from there governs locally and internationally generating news of all kinds.

This has infected politicians and governors in such a way that traditional social media often reproduce these messages through social networks in general. In another order of ideas, artists, thinkers, communicators and a new category of people who generate trends or influence the way they dress, think and act, they also use social networks to communicate during day and night.

There is no doubt that these Faangs have come to be part of our daily life and act and therefore after the euphoria of their

birth and expansion, subscribers have reflected on the rules of the game in this new reality. The stock market, however, is showing that expectations of uninterrupted growth have had a turning point and that it is necessary to establish mechanisms that reduce, among other things, overflow of false news, false users, saturation, scandal and other situations related to pornography and disqualification and defamation of people. This situation is similar to the rules of sport that are private but that are extremely strict and are strengthened every day.

For example, FIFA has more member countries than the UN, but its disputes are not resolved before ordinary courts but by regulations of those organizations, particularly arbitration.

I don't believe that this drop in sales and profitability of these companies is permanent but the remarkable fact is that these large companies not only have to account before their shareholders on growth expectations but must be very attentive to the use of third-party information and therefore introduce very robust internal control measures to ensure privacy, certainty, the way in which information is disclosed and necessarily have authorization of the owners of information to share it. It is important, however, to give value to positive and extraordinary effect that the technology industry has had, not only in dissemination of information, but in education, in transfer of knowledge and technology in fight

against crime of information, as well as the existence of a kind of world viewer or magnifier of the realities that occur daily.

Without being specific, access and quality of information that can be obtained by Google, Facebook, Wikipedia, Twitter, Instagram, WhatsApp, are unprecedented in the history of humanity and have allowed transforming the world, saving lives, overthrowing dictatorial governments, achieve resignations of government officials and also allow us to know places, watch movies, works of art, artists, concerts, animal and plant life on land and in underwater areas and even know religions, cultures and be more relative in our beliefs.

These technologies are so extraordinary that we need to keep their growth high and healthy because in the balance, positive rather than reprehensible weighs more and its incidence is greater in a world shaken by fears and political polarizations.

The market, in the end, is another of natural regulators of size and impact of companies, but in this case the unilateral decision of millions of users of these Faangs is also weighing to determine their course of action. *L&E*

It will dawn and we will see..

info



R♦B♦C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW

¿Quieres estar actualizado en cuanto a información legal?

Suscribete

rbcweb@rbc.com.pa



Invited Writer

A DOCTRINAL VIEW TO THE MARTINELLI CASE

Ailen Galvan / David Rodríguez
ailen.galvan@rbc.com.pa
david.rodriguez@rbc.com.pa

Case

Ricardo Martinelli Berrocal fue presidente de Ricardo Martinelli Berrocal was president of Panama in the period 2009-2014, during this time there were indications of poor administrative management of his government, which was plagued by illegal acts reflected for example in the issue of public procurement, although we can point out that During his tenure he was assisted by a great economic boom, we can't ignore that this great economic boom was accompanied by cost overruns in the works carried out by the State and that were reflected in the different public institutions. There were also acts that went against the privacy and secrecy of people.

Part of these actions, brought as a consequence that people affected, who mostly belonged to political environment, warned about the possible violation of their rights, and filed different actions and lawsuits against former president for the violation of their privacy,

which it is enshrined in our Political Constitution in Title III, which talks about individual and social rights and duties, Chapter I, which deals with fundamental guarantees, also supported by the international treaties and agreements to which our country is attached.

Once the former president finishes his presidential term, he decides to join the PARLACEN (Central American Parliament), as deputy of the same, where he acquired a parliamentary immunity. This caused investigations against him to be processed through special procedures, in this case by Supreme Court of Justice.

On January 28, 2015 Ricardo Martinelli Berrocal left homeland for Miami United States of America, place where the former president was established for two years, during this time various investigations continued against him, and once, he tried to inform him of said process, proceeded with procedures for extradition, enshrined in Law 75 of 1904, which approves extradition convention between Panama and the United States, since former

agent wasn't in Panama when the order of detention was issued by the Plenary of the Supreme Court of Justice, on December 21, 2015.

Jurisdiction of the Court

We will start with a look at the criminal process that will help us answer any questions regarding it. According to the third book of the Code of Criminal Procedure adopted by law 63 of August 28, 2008, with its additions and amendments introduced by Law 57 of September 22, 2015 GO 27875 of September 24, 2015, there are two types of trials, one for common or ordinary proceedings, in which Prosecutor of the Investigation attributes punishable acts to a specific person or persons, but that attribution produces legal effects that commit the State as the individual linked to the process, having previously made a preliminary investigation, is formalized, call for a formal hearing of imputation generates the obligation of the Judge of Guarantees to summon a person or persons as imputable (BORIS BARRIOS, THE AUDIENCE OF IMPUTATION IN ACCUSATORY CRIMINAL PROCEDURE, 2016); and special processes, both enshrined in criminal procedure code.

In the case at hand, as a deputy, it is a special procedure described in article 488 of our procedural code, in which an imputation hearing is not necessarily necessary to initiate accusation, therefore it is understood that accusation has been made in a tacit manner, as long as there are sufficient elements that directly link the person to a crime, as expressed by the Judge of Guarantees in a broad and doctrinal manner, since hearing is the form or method that is used to communicate to person of the imputation, distorting all the arguments of technical defense of the former agent.

It is in this way that the defense seeking to decline competition to lower courts used the strategy of presenting the resignation of Ricardo Martinelli Berrocal to the Central American Parliament (PARLACEM) and to ensure that process is ventilated in circuitual sphere.

Constitutional Chamber of the Supreme Court of Justice of Venezuela, in judgment N ° 1636 of July 17, 2002 (case: William Claret Girón and others) with a presentation by the Magistrate Doctor JESUS EDUARDO CABRERA ROMEROA "judgment of this Chamber, when there are concrete facts against Someone, even though they are being investigated, the person has the right to request to know them, and the existence of such facts, of the same nature as those of the accusations, amount to accusations...". (Excerpt from the ruling).

In Colombia's criminal procedure code, the law describes some elements that call for the imputation of charges without the need for a hearing:

ARTICLE 287. SITUATIONS THAT DETERMINE FORMULATION OF IMPUTATION. The prosecutor will make factual accusation when material evidence, physical evidence or legally obtained information, can reasonably be inferred that the accused is the perpetrator or participant in the crime that is being investigated. If appropriate, under terms of this code, prosecutor may request imposition of the corresponding insurance measure before the judge in charge of guarantee control.

In Panamanian case law we can cite the ruling of May 3, 2017, where it is explained that there can be no link between the process and a deputy if the conditions proposed by article 488 of the criminal procedure code don't exist, in which there is a clear, precise and circumstantial link of the act attributed: Given the importance for the person of an accusation in criminal matters, the Constitution grants individual a series of fundamental rights in order to guarantee that a fair trial is carried out against him, however, these would be sterile if the authorities in charge of investigating The crime carries out various actions that circumvent the fundamental duty to investigate and prove.

The foregoing makes us understand, on the

one hand, that if we proceeded to initiate investigations under this scenario, we would be making indiscriminate use of punitive power of the State, to the detriment of a citizen against whom there is not even a preliminary link in the course of a electoral criminal investigation.

By virtue of this, it is concluded that absence of that precise, clear and circumstantial relation of the attributed fact, place and time of its realization, as well as lack of suitable proof required by article 488 of the Criminal Procedure Code, which proves the budgets of appearance of a punishable fact and the connection of the Deputy Carlos Eliceo Santana Aizprúa, the knowledge of the Summary can't be admitted.

After explaining all the above, there is no doubt that imputation phase was overcome with total satisfaction. We can affirm that process has been aired with due transparency, and that there has been broad and complete access to everything that has been done.

This case constitutes a precedent in accusatory matters of a special nature, characterized because equality guarantees of the parties, which are pillars of accusatory system, have been complied with. In this process the judge of guarantees has allowed the country to witness a fair and transparent process.

It is currently in the indictment phase, it will end with an oral hearing because in a hearing on June 30, 2018, Prosecutor Harry Díaz presented a formal indictment stating that the brief must contain "an accurate and circumstantial statement of the facts, not a recount of all the proceedings", after this, defense of former president Ricardo Martirelli requested a time to read carefully the indictment and thus confront what has changed.

Other procedural stages are pending. *L&E*

R♦B♦C

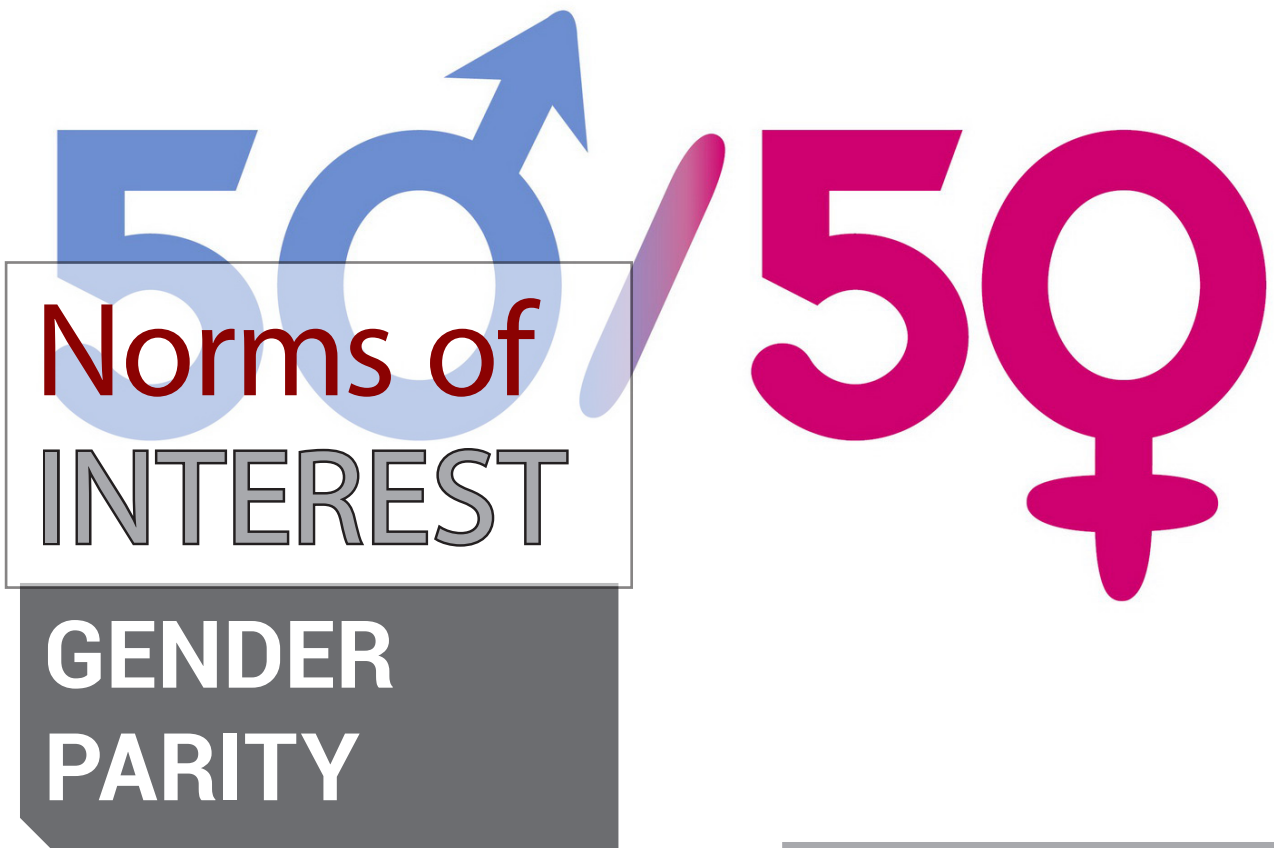
Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW



**Síguenos en
nuestras
Redes
Sociales**





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

By Executive Decree No. 236 of July 11, 2018, the National Council for Gender Parity is created, whose main objective is to promote actions in favor of gender parity in accordance with provisions of point 5 of the Objectives of Sustainable Development (ODS).

The Council shall be composed of members of public and private sectors, appointed by the President of the Republic and presided over by the designated Minister of State.

Within the functions of the Council, are to support the implementation of measures and activities related to prioritized proposals on female labor participation, gender wage gaps and barriers to women's advancement, promote participation of women especially girls, adolescents and young people in the studies and professions with greater demand within economies of the future, encourage implementation of Law 56 of 2017, promote entrepreneurship for opportunities among women, among others. *L&E*



PARTICIPATION OF WOMEN IN BOARDS OF DIRECTORS

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

Recently, Executive Decree No.241-A of July 11, 2018 was passed, which regulates Law 56 of July 11, 2017, which establishes the right of women to access and participate actively in decision-making of public entities. private.

Executive Decree 241-A, provides the definition of concepts of public companies, mixed capital, decentralized entities, central government, financial intermediaries, financial control entities and regulated subjects, for purposes of applying the standard.

The Decree establishes that, in case of mixed capital companies, the Executive Body will make designations of women according to the established percentages, so that they act on their representation before said boards of directors, taking into consideration their professional experience and other characteristics. that are considered necessary according to the policies, monthly and corporate governance regulations of the company.

For their part, representatives of private ca-

pital in mixed capital companies will also seek participation of women considering percentages established, as well as the subjects regulated by financial control entities.

The financial control entities will establish in their corporate governance standards, good practices related to the selection of the members of the boards of regulated subjects, based on criteria of gender equity, as well as professionalism, merit, experiences and according to standards of each sector.

It has been established that financial control entities must follow up on compliance with provisions of the standard, which they will do by means of compliance questionnaires and in case of non-compliance, regulated subject must explain the reasons for non-compliance.

It is worth mentioning that information will be updated annually and the entities will publish the reports or questionnaires regarding compliance with the regulated subjects or their results, on their web pages and other means. *L&E*

JULIO DECLARADO MES DE LOS ODS

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

Executive Decree No.75 of June 29, 2018, established month of July as the month of the Sustainable Development Goals (SDO) for the realization of dissemination activities, academic, cultural, artistic, environmental and social at the national level.

The Decree establishes that during month of August all government institutions will schedule at least one day to carry out activities aimed at highlighting the role of the SDGs and their contribution to the development of the country.

Finally, non-governmental organizations, associations, private companies, international organizations, civic clubs and community in general are asked to participate actively in the month of the SDGs.

In agreement, with the United Nations Millennium Development Program, the "Sustainable Development Goals (SDGs), also known as the Global

Objectives, are a universal call for the adoption of measures to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. "

In agreement, with the United Nations Millennium Development Program, "Sustainable Development Goals (SDGs), also known as Global Objectives, are a universal call for adoption of measures to end poverty, protect the planet and ensure that all people enjoy peace and prosperity."

"The SDGs entail a spirit of collaboration and pragmatism to choose the best options in order to improve life, in a sustainable manner, for future generations. They provide clear guidelines and targets for adoption by all countries in accordance with their own priorities and environmental challenges of the world at large."

There are seventeen (17) objectives that are:





PROMOTION PRICES MAXIMUM OF SALE OF FOOD PRODUCTS

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

W

With the approval of Executive Decree No.168 of July 6, 2018, temporary regulation and maximum retail prices of twenty-two food products are extended for a period of six (6) months.

It should be mentioned that the Government's decision to extend Executive Decree No. 165 of July 1, 2014, is a measure that has affected producers and economic agents, since there

is a monopolistic effect in regulating the free supply and demand since this way it allows that imported products are not affected by this measure, since for national producer it is not enough to cover the cost of processing and handling to be governed by this Decree. *L&E*

FISCAL SOCIAL RESPONSIBILITY IN FINANCIAL MANAGEMENT OF PUBLIC SECTOR

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

O

On July 7, 2018, Executive Decree No.214 of July 5, 2018, which modifies Article 25 of Executive Decree No.50 of 2009 that regulates Law 34 of June 5, came into effect. 2008 of Fiscal Social Responsibility and whose purpose is to establish norms, principles and methodologies to consolidate fiscal discipline in financial management of public sector, a necessary condition for stability and sustainable economic growth.

The reform focuses on establishing the fiscal period from 2018 to 2019 and before the reform the

validity of the years 2009 to 2012 was considered.

On the other hand, it recognizes the efforts made by the heads of different institutions of Non-Financial Public Sector, in sense of sending the communications in which they requested or requested that projects be registered in Project Bank of the National System of Public Investments (SINIP) and committing to present the delivery of the respective studies included in the standard. *L&E*

ELIMINATION OF ACCUMULATED SCRAPERS



The Ministry of Health issued Resolution No. 1018 of July 7, 2018, ordering public institutions and private companies in the country to take immediate measures to eliminate scrap in the shortest time possible. accumulated, since they constitute potential breeding grounds for the mosquito aedes aegypti transmitter of dengue, chikungunya, zika, yellow fever and

other diseases of importance to public health. Within this context, we have to urge the private company to keep it in its facilities, on its premises or due to the nature of its functions being responsible for the final destination of the scrap or movable property that becomes scrap, proceed with its immediate elimination. *L&E*

FIDUCIARY INSPECTION

The Superintendency of Banks, issued the Trust Agreement No. 001-2018 of June 26, 2018, which develops definition of fiduciary inspection, stating that for the purposes of Article 31 of Law 21 of 2017, inspections will be understood as fiduciaries the set of actions carried out by the Superintendency of Banks, aimed at supervising operations carried out by the fiduciaries.

Establishes the rule, that costs of fiduciary inspection are the fixed and variable costs in which the Superintendency of Banks must incur for continuous monitoring of the fiduciaries in benefit of the trusts administered by these and development of fiduciary busi-

ness, as well as as other authorized activities.

Finally, the Agreement establishes that the Superintendency will quantify annually the cost for the inspection of different authorized fiduciary agents and of other persons authorized by law and assign it among said entities, weighing the amount of assets, volume and complexity of trusts. that manages, diversity of fiduciary activities, set of affiliated companies, geographical dispersion and structure of corporate governance that it maintains. *L&E*



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

Consult Doctrine & JURISPRUDENCE

COMPETENCE:

SUPREME COURT OF JUSTICE

CORRUPTION OF PUBLIC OFFICIAL IT IS CAUSE OF JUSTIFIED DISMISSAL

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

The lawyer Francisco Castro, acting on behalf of Jose Ramos, filed a contentious-administrative lawsuit for full jurisdiction to be declared void as illegal Administrative Resolution OIRH No. 008 of January 11, 2017, which was issued by the National Land Administration Authority (ANATI), its confirmatory act; and as a consequence, it requests reimbursement and payment of salaries not received and corresponding 13th month be decreed, considering that the present investigation is prescribed, having passed one (1) year, ten (10) months and thirteen (13) days, without a final decision on said investigation ex-

ceeding the term established in Law 9 of 1994.

The legal representative of Mr. José Ramos, maintains that Institutional Office of Human Resources of National Authority of Land Administration (ANATI), initiated a disciplinary investigation against his represented, for facts that had already been subject of a previous investigation on adjudications and requests for adjudication of the lands in the District of Donoso, province of Colon, arguing that due process has been violated and the accused is double judged.

The defendant indicated that the award of lands requested in the District of Donoso province of Colón were made by order of the shift Administrator of the National Authority of Land Administration (ANATI), based on social claims of streamlining of processes of title or adjudication that were delayed in the Regional Office of the defendant entity.

The Public Prosecutor of the Administration, through his Fiscal Hearing, requested the Magistrates that make up the Third Chamber of the Administrative Contentious of the Supreme Court of Justice, to deny the claims formulated by the appellant, stating that investigation carried out to Mr. Jose Ramos, arises for the publications of the newspaper La Prensa on November 11, 2016, with the title "ANATI IN ANOTHER LAND PROBLEMS IN COLÓN", which were considered as evidence in disciplinary process and are also related to inquiries initiated by the Office National Policy and Legal Advice of the National Land Administration Authority (ANATI).

He further submits that, Mr. Jose Ramos, at the time that investigation carried out by the Institutional Office of Human Resources on the basis of the denunciation made by newspaper La Prensa accepted in his statement the facts that were pointed out to him, which violate the law and the regulation reason why, the General Director of the institution receiving recommendations of the investigating body proceeded to dismiss him from office based on disciplinary grounds contained in article 96, numeral 6 and article 103, numeral 6 of Internal Regulation of National Land Administration Authority (ANATI) which consists of "altering, delaying or unjustifiably denying the processing of matters, or the rendering of the service that corresponds to him according to the functions of the office."; and that were followed by the Office of Human Resources of the entity, so they are not two different situations, which is why the double judgment of the actor has not been given.

ROOM ANALYSIS:

It corresponds to the Chamber to determine the legality of the defendant act, in response to the charges presented by the plaintiff, who alleges that the due process has been violated for the following reasons:

1- When a double trial of Mr. José Ramos occurred, on the assumption of having engaged in a conduct for which he had been previously investigated.

2- It was omitted to open the disciplinary process to evidence by directly issuing the Report recommending dismissal of Mr. Olmedo Humberto Pimentel Serrano, for commission of an alleged serious offense.

On the other hand, he states that Mr. José Ramos was an administrative career officer close to retirement, for which he was covered by the jurisdiction of stability in the position, reasons why he couldn't be dismissed as it happened prior to investigations carried out against him and for which, he was restored at the time.

It is necessary to clarify that the appellant committed an error when invoking as one of the foundations of his claim a rule of constitutional rank, this is so since this Chamber is responsible, in accordance with article 203, numeral 2, of the Charter Magna, the control of the legality of administrative acts.

Said dismissal was based on a disciplinary offense that gives rise to the sanction of dismissal, enunciated in numeral 6 of article 96 of the Internal Regulation of the National Authority of Land Administration (ANATI), in accordance with the maximum penalties table. gravity, numeral 6 of article 103 of the same normative body, it should be kept in mind that this type of irregular actions tarnish

the effort made by any government entity to leave a good public perception before Panamanian society.

It can't ignore this type of actions that put at risk the dignity of the institutional respect, more when it is evidenced that irregularities have been incurred in the process of adjudications of land in favor of several people in the District of Donoso, Province of Colon; This situation affects the trust that users maintain in the transparency of the National Land Administration Authority (ANATI).

It is estimated that disciplinary procedure that followed plaintiff, based on a lack of maximum seriousness, was made in compliance with procedural guarantees that assist the plaintiff, in compliance with due administrative process.

RESOLUTIVE PART:

The Third Chamber of the Supreme Court of Justice, administering justice, on behalf of the Republic and by authority, of the Law, DECLARES THAT the Administrative Resolution OIRH No. 008 of January 11, 2017, issued by the National Authority, of Land Administration (ANATI) is NOT ILLEGAL, and its confirmatory act; therefore, DO NOT ACCESS the plaintiff's claims. *L&E*

info



R♦B♦C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW

¿Quieres estar actualizado en cuanto a información legal?



rbcweb@rbc.com.pa

IMPOSSIBILITY OF COLLECTION AND CALCULATION OF SUPERVISORY RATE APPLICABLE TO REGISTERED INVESTMENT COMPANIES

Source: Office of the Attorney General of the Administration

The Office of the Attorney General of the Administration, with the issuance of Consultation C-049-18 of June 18, 2018, answered question posed by the Superintendency of the Securities Market, in sense of knowing, if collection of the minimum supervision fee of B/. 1,000.00 to registered investment companies that offer their participation shares abroad to persons domiciled outside the Republic of Panama, as provided in articles 26 and 179-F OF the Sole Text of the Decree Law 1 of 1999.

In order to answer the question, the Attorney General's Office states that, in principle, the Superintendency of the Securities Market is empowered to charge supervisory fee to registered investment companies that only offer their participation shares abroad to persons domiciled abroad. of the Republic of Panama, however actual regulations prevent it from doing so effectively, since, the formula used for this collection is based solely on participation fees that are registered in the Superintendency and sold in the Republic of Panama. Panama, which generates a contradiction between standards, so that the minimum rate of B/. 1,000.00 established in said legal norm wouldn't be applicable, for which this Office of the Attorney General recommends, as a possible solution, that an amendment to the Law be contemplated. that sense.

In this regard, it brings up the term participation fee and in that sense the numeral 17 of

article 49 of the Sole Text of Decree Law 1 of 1999, defines it as any action, value, participation or investment certificate or any other title or financial right that reflects a participating interest in an investment company. On the other hand, foreign investment companies such as those that have been formed or incorporated in accordance with the laws of a foreign State, and whose principal investment manager has its principal domicile outside the Republic of Panama and manages the assets of the company of investment in the same way outside the Republic of Panama, according to the definition offered by the Sole Text of Decree Law 1 of 1999.

The Attorney General indicates that according to article 179-A of the Sole text of Law 1 of 1999, the investment companies can't offer their participation quotas in or from the Republic of Panama, and in turn they will have a different treatment while the Superintendency of the Securities Market doesn't establish otherwise.

It adds that the formula referred to in numeral 3 of article 26 of the Sole Text of Decree Law 1 of 1999, modified by article 4 of Law 66 of 2016, is based solely on the participation quotas that are registered in the Superintendency and sold in the Republic of Panama, so this formula wouldn't be legally applicable to registered investment companies that offer their participation shares abroad to people domiciled outside the Republic of Panama, thus arising a contra-

diction between these legal provisions, making them incompatible by imposing opposite behaviors, so that their simultaneous presence in the order generates a situation of antinomy.

In this regard, the Attorney General of the Administration considers it important to refer to the principle of strict procedural legality, contained in Article 17 of our Political Constitution and developed by Article 34 of Law 38 of July 31, 2000, on general administrative procedure, which indicates that public servants can only do what the Law allows, therefore, they must exercise their actions according to the procedures established in it.

In such a way, that the authorities have no faculties other than those granted by the laws, and that their acts are valid when they are based on a legal norm and are executed in accordance with what it prescribes.

The Attorney General of the Administration concludes by stating that, in principle, the Superintendency of the Securities Market is empowered to charge the supervisory fee to registered investment companies that only offer their participation shares abroad to persons domiciled outside the Republic of Panama. However, actual regulations prevent it from doing so effectively, since the formula used for this collection is based solely on the participation quotas that are registered in the Superintendency and sold in the Republic of Panama, which generates a contradiction between norms, so that, the minimum rate of B/1,000.00 established in said legal norm wouldn't be applicable.

Finally, the Attorney General recommends the Superintendency of Securities Marking, which contemplates the possibility of making an amendment to the Law, in this sense, in order to overcome the impossibility before which they are, regarding the collection and calculation of the supervisory rate applicable to registered investment companies that only offer their participation shares abroad to persons domiciled outside the Republic of Panama. *L&E*

R • B • C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW



Síguenos en
nuestras
Redes
Sociales



COURT DECLARES UNCONSTITUTIONAL MUNICIPAL TAX TO SALES OF ELECTRICITY BY THE MUNICIPALITY OF CHANGUINOLA

Javier Said Acuña - Attorney
said.acuna@rbc.com.pa

Through a ruling of March 15, 2018 the Plenary of the Supreme Court of Justice declared unconstitutional Article 2 of Agreement No. 34 of July 29, 2015 through which the Municipal Council of Changuinola, established municipal rent 1.2.2.8. 04.A, to tax sales of hydroelectric, thermoelectric, wind and rural electrification energy.

The municipal tax that had to be paid by companies that were dedicated to the sale of electric power was the following:

Annual income	monthly tax
Up to B/. 500,000.00	B/. 20,000.00
From B/. 500,000 to B/. 1,500,000.00	B/. 30,000.00
From B/. 1,500,001 onwards	B/. 50,000.00

As can be seen, these were municipal taxes of consideration, which would be taxed, according

to the level of annual sales that the taxpayer had. The affected company considered that both for the legal framework that regulates it. Law 26 of 1996, and as well as the Concession Contract for the Hydroelectric Generation of November 11, 1999, since this is an activity with impact or impact outside the District of Changuinola, Municipality couldn't tax its activity with municipal taxes. since it contravenes or violates article 245 of the National Constitution.

Said norm establishes a prohibition to municipalities to tax with municipal taxes activities that have incidence beyond the limits of a territorial district of the municipality, unless the Law establishes an exception for it.

In this same line, in accordance with arti-

cle 4 of Law 26 of 1996, the public electricity service can't be taxed with any municipal tax, except for the one of sign, license plates for vehicles and construction of buildings.

For its part, the Court considered that taxes that have incidence or generate outside the District, could not be considered a municipal tax, since being extra-district, it would be taxed by the State, and not by the municipality.

The Court continued that, according to the concession contract signed by the company that filed the lawsuit and the State, in addition to the construction, installation, operation and maintenance of a power generation plant, it could commercialize and sell the energy produced in the national and international electrical system, which further reinforced that it was not a district activity.

The Plenary of the Court also referred to Article 4 of the single text of Law 96 of 1996, in the sense that by having the supply of electric power service, national incidence, said public service, will only be taxed with national taxes, not being able to be taxed with municipal taxes.

For all the above, the plenary of the Court declared unconstitutional the collection of the municipal tax demanded by the Municipality of Changuinola for the sale of the electric power service when it transgressed article 245 of the National Constitution. *L&E*

info



R•B•C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW

¿Quieres estar actualizado en cuanto a información legal?

Suscribete

rbcweb@rbc.com.pa

397-3000 / rbc.com.pa

TAX ADMINISTRATIVE TRIBUNAL CLAIMS REFORESTATION INCENTIVES IN FAVOR OF TAXPAYERS

Augusto García - Attorney
augusto.garcia@rbc.com.pa

Through Resolution No. TAT-RF-041 of April 25, 2018, the Tax Administrative Court revoked a series of Resolutions issued by the General Directorate of Revenues of the MEF, in which the incentive of exemption from property tax derived from reforestation activity, recognized in Law 24 of 1992, and consequently ordered the DGI to recognize the request for exemption of property tax on the property subject of the dispute and apply the corresponding adjustments in the current account of the taxpayer.

The aforementioned Resolution has its immediate antecedent in obtaining forest registry by the taxpayer since 2001, which certifies that more than 50% of the twenty-eight hectares of the property subject to the dispute were duly reforested.

In accordance with this reality, on January 23, 2003, taxpayer requested the Tax Administration to apply reforestation incentives, particularly the property tax enshrined in Law 24 of 1992 and Executive Decree No. 89 of said law, notwithstanding The Tax Administration ignored the request of the taxpayer and tried to support the rejection of the recognition of the exemption of property

tax to which taxpayer was entitled, in the fact that by Law 6 of 2005 there was a modification in the sense of increasing 50% to 75% percentage of surface capacity of the Farm destined to the reforestation and therefore it ignored the validity of the mentioned article, that is to say it gave a retroactive character to the Law of 2005.

This adverse scenario to the taxpayer was aggravated when the DGI sent the file to coercive jurisdiction and instead of taking measures in relation to the property subject of this process, it initiated precautionary actions against the monies of the operation of the taxpayer deposited in different banks of the location.

A serene reading of this administrative act allows to establish that the TAT made a detailed review of the following elements, namely:

1. Law 24 of 1992 and Law 6 of 2005 in order to be certain about the obligation of the taxpayer regarding the reforested area that was required (50% and then 75%) to receive the benefits of the exemption of the property tax.

2. When each regulation began to govern and the fact that Law 6 of 2005 is not retroactive.

3. Expert assessment to determine not only reforested area but also the percentage of both primary forest and secondary forest subject to reforestation and the different native and reforested species, as well as the ages of these species and concluded that the farm has more than 50% of the total reforested area and also if you take into account the primary forest also reaches a percentage that exceeds 50%.

4. The Jurisprudence of the Third Chamber of the Supreme Court of Justice on the regulatory power that the Executive Body has and its application in this case, particularly with regard to the request made by the taxpayer to be recognized in his case, was thoroughly analyzed. right to this exemption and fact that the Tax Administration never communicated to the taxpayer any objection to the request made in 2003.

5. The Court also makes a very detailed reference to all the doctrinal wealth on the scope of tax benefits and the obligations that the taxpayer has to be entitled to a certain tax incentive and how this legislation is part of a presumption of legality and that it doesn't it can be modified in a capricious manner through the arbitrary interpretation of the Tax Administration.

Based on the above considerations, Tax Administrative Court concluded that DGI incurred an undue application of rules contained in Law 24 of 1992 and Law 6 of 2005, since taxpayer had objectively complied with percentage of capacity surface to reforest since 2003, reason for which resolved to revoke in all its parts Resolutions issued in first instance by DGI and order the recognition of exemption of property tax for reforestation in favor of taxpayer. *L&E*

R♦B♦C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW



Síguenos en
nuestras
Redes
Sociales



Rivera, Bolívar y Castañedas



When we are on the eve of the celebration of electoral tournaments, some of the reflections that go through the mind of a sector of the voters is to meditate on which would be the ideal candidate to govern a country.

In our countries we have had a small number of governors who have left favorable marks in the management of their administration. Some will argue that practically none, although being reasonable, it should be noted that we have had some exceptions.

The responsibility that electors have when choosing the best rulers is very delicate, mainly because many times, when making their decision to deposit their vote, they make a mistake designating the worst and mediocre, which entails a better consideration when exercising their right to suffrage.

We must not forget that in democracy, suffrage is a duty and a fundamental right of citizens, which represents an instrument of the people to transmit their needs and interests to the rulers.

When we go to vote, we have the opportunity to make ourselves heard and externalize our opinion, recommendations and complaints, for that reason it is really the most important determination that every citizen can make to specify the path to follow by a community or the State.

On the other hand, voting makes us participate in the decisions made by the country's leaders, so it is essential to be fully aware of the proposal offered by each candidate, reflect on his career and those that are best for us, voting for who we believe is the best choice.

Then, it would be worthwhile to ask ourselves effectively which would be the model candidate that in our opinion the voter should take seriously at the time of voting and therefore in electing the ruler who should direct the destiny of his nation. Taking into account the serious moments that

we live in most of the nations in relation to issue of political corruption, misuse of public power to obtain illegitimate advantages and great prejudices that they cause to a country, the most important, essential attribute that a candidate to govern must have, is not to be corrupt during course of his life. Much better if he has not been corrupt during the exercise of his political career, he has always been transparent and although sometimes he has been surrounded by some corrupt politicians, he has not allowed himself to be contaminated and has left unharmed in his moral integrity.

It is preferable that the candidate offers years of experience, with practical knowledge of the official work, that wasn't corrupt in the performance and exercise of their functions in positions of popular election, away from influence peddling, extortion, bribery and fraud and who knew how to resist the pressure and temptation coming from economic groups. This is in contrast to some beginner or apprentice of a ruler who has not tried or faced the temptations that lead to corruption in the exercise of public office.

That ideal candidate, who has held positions in public administration for years in various organs of the state, should have been probó, honest, transparent, away from corruption and much better if he had the courage to face calumnies of his adversaries and corrupt political enemies, who are always promoters of smear campaigns and falsehoods with aim of preventing honest rulers from assuming power.

Other characteristics of a good governor is to be a politician prepared, with a successful university preparation, proven, preferably having been a university educator, which entails good speaking and knowing how to communicate clearly with others, without fuss, educated, extremely important attributes in the understanding of the difficulties and the examination of their possible solutions. A good candidate to govern must express himself with elegance

and class, not only in political meetings, but mainly when he represents the country in international forums. It would also be extremely favorable if in his career he has been associated with international organizations.

A good ruler would also be one who reasons intelligently about economic, social and political issues and knows previously to analyze the possible results of his decisions. When administering the resources of a nation, a good governor must have knowledge and make decisions about financial concepts, because they will have not only national but also international repercussion. The peoples must not choose incompetent rulers, who squander the wealth of a country by applying taxes with inconveniences, restructuring the debt, which affect the national interest. It is necessary to elect a president who knows how to make decisions in national financial matters, astutely reasoning economic aspects and the concrete consequences of their decisions, that is, therefore, a good administrator in relation to the state, that can build an economy productive with private initiative, seeking social equity, with a transparent government, where the president is and set an example. Unfortunately, not infrequently instead of choosing qualified rulers, we choose the mediocre and improvised ones to later suffer great disappointment and frustration with the terrible exercise of their important functions.

Another of the qualities that the future governor must possess is to have a good team of collaborators and competent advisers to face and execute their orders and instructions, aimed at solving common problems in an administration.

During electoral campaign we almost always hear the same from all aspiring candidates to govern, superficially mentioning the problematic items to be dealt with in the country, but it is not mentioned who their assistants will be in the task of governing nor the strategies that their team will apply to sol-

ve the problems with the knowledge due.

It is essential that from the beginning you have an economic, technical, social and political team in your future administration, with a good government plan, ready to support you and face the controversies that arise from your actions. I reiterate, will need to be accompanied by trained people, with experience and familiar with the different government entities where they will be appointed and who will be delegated authority to coordinate a sense of direction in the solution of problems.

He should have his own style of command, be always attentive and observant of abilities and skills of each of the members and collaborators of his government team, thus earning the respect of his subordinates by offering understanding but at same time acting harshly and perseverance with those who exercise outside law.

The good ruler has to project optimism and positive energy. The ideal leader is charismatic, with a good sense of humor but always keeping his image of seriousness in the electorate. Must be educated and knowledgeable about general and historical issues, current affairs and politics, be conciliatory, have the gift of knowing how to listen and express oneself with great clarity, property and security. He must be genuinely committed to the faithful fulfillment of his promises and to deeply know his country.

The gift of negotiation is vital for a ruler. Unfortunately, many lack this ability. A ruler who has the capacity to negotiate would undoubtedly have more success in his government than those who don't have this ability. It is not about imposing but reaching viable agreements through negotiation skills and conciliation, listening to others, accepting their mistakes, correcting the course drawn up if necessary, resorting to serious and understandable explanations, trying to convince and negotiate at the

same time with firmness when it is justified.

Not a few will wonder about the suitable age of those who should govern us. This is relative. Some prefer them young, but unfortunately the commitment to govern is not easy, it brings many sacrifices and knowledge of public administration. It seems to me that the right one would be the one that is well prepared for the management of government, that has a background in positions of responsibility and experience to face the difficulties that our countries are experiencing, mainly in terms of the current economic situation and the excessive cases of corruption.

I believe that the best age to reach power is between 50 and 60 years of age, when proven experience has a very important value, when you have awareness and know that the actions taken have consequences. Big mistake with lamentable outcome would be to choose the rulers with sympathetic faces, with little judgment and discernment, who act impulsively, who can't understand or learn.

A successful ruler can't stand out against a conscious and mature electorate through emotional outbursts and limited understanding. It seems to me that the voters who are used to seeing so many falsehoods, look askance at those candidates who use these methods in the campaign. In these times and other things are more credible.

The attributes described on perfect candidate will undoubtedly cause him to question whether we will ever be in presence of such a character or if there is even that possibility. The answer is affirmative. Everything is a matter of which, when freely casting their vote, electorate will reflect without complications and seriously consider the great commitment that each voter has, and keep in mind which of all those candidates that aspire to govern meets these attributes or is the most close to them. *L&E*

Panamanian

Source: CGRP

ECONOMY

MAIN MONTHLY ECONOMIC INDICATORS: JANUARY-MAY 2017-18

A Of the indicators just obtained: (Pending: Situation balance of the National Banking System, Entrance of visitors, direct transit and expenses incurred).

1. Transportation:

b. National Port System: The movement of containers (TEU - container equivalent to 20 feet), decreased by 2.5% from January-May of the current year, compared to the same period of the previous year. The movement of load was reduced by 0.6%, mainly, the general load by 20.0% and bulk by 2.2%.

2. Foreign trade:

a. CIF value of goods imports: The CIF (Cost, Insurance and Freight) value of goods imports rose by 10.5%, with capital goods standing out at 14.2%, intermediate goods at 8.5% and consumer goods at 9.4%.

b. Net weight of goods imports: The net weight of imports of goods (in thousands of net kilos) grew by 2.8%, of these, capital goods by 8.1% and intermediate goods by 6.7%. On the other hand, there was a negative variation of 0.4% in consumer goods.

c. Valor FOB de las exportaciones de bienes: The FOB value (On Board Goods) of exports

of goods registered an increase of 11.7% and most influential items were: banana with an increase of 11.7%, watermelon 51.3%, pineapple 12.2%, shrimp 28.1%, fish and fish fillet (fresh, refrigerated and frozen) 8.3%, unrefined sugar 29.5%, coffee 5.8%, beef cattle 22.0%, waste and scrap steel, copper and aluminum 34.6%, and wood 32.7%. However, there were negative variations in categories: melon of 26.5%, other seafood 13.7%, fishmeal and fish oil 25.0%, clothing 14.7% and, skins and leathers in 62.0%.

Weight of goods exports: The weight of exports of goods (net kilos) increased by 14.3%, with an increase in items: banana 11.4%, watermelon 15.7%, pineapple 0.1%, shrimp 57.3%, fish and fish fillet (fresh, chilled and frozen) in 1.2%, other seafood 46.8%, unrefined sugar 46.6%, beef cattle in 19.6%, waste and scrap steel, copper and aluminum 2.6% and wood in 34.1%. Negative behavior was reported in: melon 55.6%, fishmeal and fish oil 27.7%, coffee 14.9%, clothing 14.3% and, skins and leathers in 44.0%.

e. Colon Free Zone: The value of commercial activity in the Colon Free Zone (in thousands of balboas) reported growth of 4.2%, with CIF imports standing out at 4.1% and FOB reexports at 4.4%. On the other hand, the weight (measured in metric tons) rose by 0.6%; specifically, re-exports in 2.6% and negative variation in imports of 1.2%.

3. Domestic trade:

a. Sale of fuel for national consumption: The sale of fuel for domestic consumption registered a negative variation of 3.3%, mainly, gasoline of 91 octanes in 7.8%; however, positive variation was reported in gasoline consumption of 95 octane in 7.1% and liquefied petroleum gas in 3.5%. C bunker consumption decreased by 28.2% and low sulfur diesel by 3.5%.

b. Sale of marine fuel (bunkering), by coast and terminal: The sale of marine fuel in port (bunkering), measured in metric tons, reported a positive variation of 1.8%; an increase of 10.8% was reported in the Atlantic littoral, explained by the fuel oil (bunker) in 12.9%; however, marine diesel was reduced by 7.6%. On the Pacific coast, the sale of fuel presented positive variation of 0.2% with marine diesel in 31.8%; however, fuel oil (bunker) decreased by 2.9%.

c. Sale of marine fuel (bunkering) through barges and ships serviced: The sale of marine fuel (bunkering), through barges, grew by 3.5%, mainly, that of the Atlantic coast in 16.5%; while in the Pacific littoral it was reduced by 0.3%. Of these, in total, marine diesel rose by 23.7% and fuel oil (bunker) by 1.8%.

4. Building:

a. Cost of buildings registered by the main municipalities in the Republic: The cost of private constructions, additions and repairs was reduced by 40.9%, mainly residential works by 41.2% and non-residential works by 40.4%. At the regional level, districts of Panama decreased by 46.4%, Colón 50.2% and David, Santiago, Chitré, Aguadulce and La Chorrera grouped in 21.9%; On the contrary, positive variation was reported in Arraiján district by 6.3%. There was decrease in the production of ready-mix concrete in 24.9% and gray cement in 15.0%.

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

The construction area (m²) of main municipalities in the Republic, decreased by 53.7%, mainly for residential works by 55.8% and non-residential works by 49.0%. Negative variations were observed in the municipalities of Panama 61.7%, Colón 21.7%, grouped the municipalities of: David, Chitré, Santiago, Aguadulce and La Chorrera with 45.3% and Arraiján in 8.9%.

5. Financial intermediation:

c. Insurance: The value of subscribed premiums rose by 3.8% and the most representative branches were: individual life 1.7%, personal accidents 15.4%, health 7.1%, collective life 0.9%, fire and multi-hazards 10.2%, automobiles 6.6%, other transports 1.0% and technical branches in 30.7%.

6. Electricity and water:

b. Destination of electricity: Electricity billing for the residential sector increased by 1.1% and that of the Government by 1.2%; however, the commercial sector was down 0.5% and the industrial sector was 12.7%. On the other hand, large customers increased by 57.1%, generators 244.5% and exports by 92.4%.

c. Water: The billing of potable water in the Republic reported an increase of 2.4%, linked to sectors: commercial in 1.0%, industrial 6.2%, residential 2.7% and Government in 1.3%.

7. Manufacturing industries:

In the manufacturing sector, from January-May 2018, there was growth in pig slaughter of 9.8%; as in the production of evaporated, condensed and powdered milk of 15.3% and natural milk used for the elaboration of derivative products in 0.3%. Negative variations were observed in the slaughter of cattle 1.0%, production of pasteurized milk 3.4%, salt 8.8%, alcoholic beverages 0.4%, soft drinks 7.2% and production of rectified alcohol of 9.4%.

8. Hotels and visitors' entrance:

a. Hotels: Hotel activity in Panama City reported an increase in the daily average of overnight stays during the period of 1.8%; However, there were negative variations in the number of rooms at the end of the period of 2.8% (mainly due to the closure of a hotel in the sample), the daily average of rooms occupied during the period, in 6.9% and the

percentage of occupancy housing in 5.7%.

B. Of the indicators published in the advance of July 2, 2018:

1. Transportation:

Panama Canal Authority The toll revenues of the Panama Canal for the period of January-May of 2018, presented a positive variation of 9.6%, of these the toll revenues of the Neopanamax ships at 36.9%; on the contrary, the revenues of Panamax vessels registered decreases of 5.7%. On the other hand, there was an increase of 6.5% in net tons and 1.7% in cargo volume. The transit of ships through the Panama Canal increased by 0.6%, with traffic of ships of small draft standing out at 4.8%; however, the traffic of high draft ships was reduced by 0.2%.

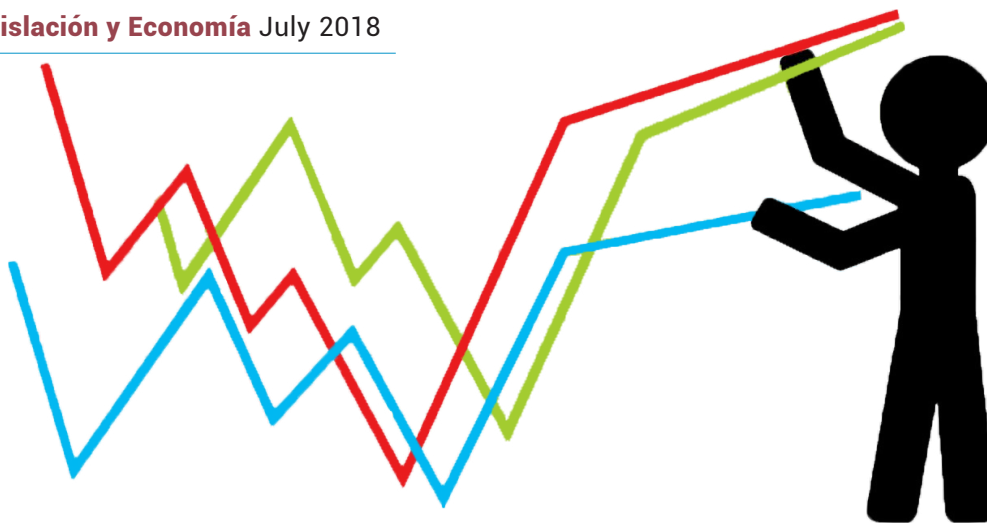
2. Domestic trade:

New cars registered: The number of new registered cars, which obtained a single vehicle registration, decreased by 11.6%, the segments that decreased were: regular automobiles in 18.9%, SUV'S (Sports Utility Vehicle) 7.7%, minivans 17.0%, panels 14.9%, pick ups 4.7% and trucks at 15.9%. On the other hand, there was an increase in the segment of luxury cars in 0.7 and buses in 1.9%.

3. Financial intermediation:

b. Stock indicators: The volume traded (measured in thousands of balboas) of the stock market in the Stock Exchange of Panama (BVP) increased by 41.6%; on the contrary, the number of shares decreased by 37.8%. The primary market increased by 15.4% and the secondary market by 27.1%; however, repurchase price was reduced by 25.2%. The calculated index of the BVP showed an increase of 11.4%.

d. Loans approved by the Agricultural Development Bank: The movement of loans approved by the Agricultural Development Bank registered a ne-



gative variation of 40.9%, of these, agriculture was reduced by 13.0%, livestock by 23.6%, fishing by 19.7 and other items by 65.9%.

4. Leisure activities:

Gross bets: The report of gross bets revenues (including paid premiums) from the operators of games of chance and luck registered positive variations in the "A" type slot machines in 2.1%, bingo halls 60.8% and sports event betting rooms in 3.7 %; however, bets on gambling tables were reduced by 24.7% and the racecourse by 1.4%. Gross lottery sales increased by 0.8%.

b. Net bets: Revenues from net bets (excluding prizes) decreased by 0.3%, mainly, the gaming tables by 27.0% and the racecourse by 1.5%; on the other hand, positive variation was reported in bingo halls 7.4%, slot machines type "A" 3.0% and sports betting rooms in 10.7%. The net sale of lottery draws decreased by 12.5%.

5. Electricity and water:

Electricity offer: The supply of electricity registered by the Commercial Measurement System (SMEC), presented a positive variation of 3.0%, due to the increase in renewable energy by 17.5%, highlighting hydraulics in 19.4%, solar in 47.8% and wind in 0.6%. Self-generation reported a negative variation of 20.9%; For its part, the import of electricity rose 102.2%.

6. Public Sector Finance:

Current revenues of the Central Government: Current revenues of the Central Government increased by 4.1%, mainly direct taxes by 8.5% and ITBMS by 3.1%. There were negative variations in non-tax revenues of 2.6% and in indirect taxes of 2.4%.

7. Other related:

Employment contracts registered in the MITRADEL: The employment contracts registered in the MITRADEL, were reduced by 1.5%, of these, those of the Headquarters in 4.6% and for its part, the work contracts of the regional headquarters in the Republic were increased by 4.0%.

Non-horizontal and horizontal properties inscribed: The non-horizontal properties decreased by 12.5%, of these, mortgaged in 14.6%, transfers 9.8% and those created in 13.0%. On the other hand, horizontal properties increased by 8.5%, mortgages by 27.9% and transfers by 25.3%; however, those created were reduced by 17.2%.

Anonymous and common companies: Corporations were reduced by 24.3%, in turn, there was a negative variation in the registry of anonymous properties in 25.1%, however, joint ventures grew by 34.3% and the most outstanding were legal entities in 55.8%. *L&E*

STANDARD & POOR'S

IMPROVED STABLE TO POSITIVE PERSPECTIVES OF PANAMA CANAL

Source: ACP

After two years of operations of the Third Set of Locks, Standard & Poor's (S & P) Global Ratings improved from stable to positive the perspective of the Panama Canal and reaffirmed the rating 'A-', (investment grade) placing it again two steps above the rating of the sovereign.

The rating agency indicated in its most recent report that the revision of the Canal's outlook reflects its view that the Panama Canal Authority (ACP) will continue to be above the sovereign level given its intrinsic credit factors, country risk sensitivity and adequacy of liquidity.

The Executive Vice President of Finance and Administration of the Panama Canal, Francisco J. Miguez, highlighted that this evaluation of S & P Global Ratings demonstrates the solid financial and opera-

tional performance of the ACP, which is the result of the daily work of the canal operators, all of whom are committed to achieve high levels of efficiency, productivity and performance to overcome the challenge of growing in an increasingly competitive market. Giving this as a result a high quality service and greater contributions for Panama.

S & P Global Ratings noted in its analysis that the ACP generates a relatively stable annual EBITDA (acronym in English of annual income before interest, taxes, depreciation and amortization).

According to the rating agency, the stability of the EBITDA of the Panama Canal is based on the projections of traffic growth, which are related to the trends of world trade and the consolidation of the operations of the new interoceanic canal locks. *L&E*

World

ECONOMY

Source: CEPAL

DIRECT FOREIGN INVESTMENT IN LATIN AMERICA AND THE CARIBBEAN FALLS FOR THE THIRD CONSECUTIVE YEAR IN 2017 AND COMES TO 161,673 MILLION DOLLARS

Despite an international context characterized by greater growth in world economy, high international liquidity, high profits in large companies, and optimism in financial markets, foreign direct investment (FDI) flows in Latin America and the Caribbean, on average and with great heterogeneity in the region, they fell for the third consecutive year in 2017 and remained at 161.673 million dollars, 3.6% less than the previous year, and 20% below that received in 2011.

This is indicated in the Report Foreign Direct Investment in Latin America and the Caribbean 2018, released today by ECLAC at a press conference in Mexico City headed by its Executive Secretary, Alicia Bárcena, and in which the regional commission of The United Nations calls on governments to encourage high-quality FDI that is compatible with sustainable development, especially to promote a change in the productive structure of coun-

tries that allows achieving the 2030 Agenda and its Sustainable Development Goals (SDGs). The report of the Economic Commission for Latin America and the Caribbean (ECLAC) explains that in a medium-term analysis, continued decline in FDI since 2011 can be explained by the lower prices of export commodities, which have significantly reduced investments in extractive industries and economic recession that occurred in 2015 and 2016, mainly in Brazil. These two trends, however, were partially reversed in 2017 when the region resumed growth (1.3% of GDP) and oil and metal prices rose. This rise in prices led to the recovery of investment returns, after several years of decline, which also pushed the reinvestment of profits, but it has not been enough for FDI to recover in extractive industries, he says.

While in 2016 vast majority of countries in the region recorded declines in FDI inflows, in 2017 FDI rose in most of them. However, falls occurred in Brazil (where it decreased by 9.7%), in Chile (-48%) and to a lesser extent in Mexico (-8.8%).

In Central America, FDI rose for the eighth consecutive year (to 13,083 million dollars) and the increase registered in Panama stood out, reaching 6,066 million dollars. In the Caribbean, flows increased 20% to 5,835 million dollars, plus half of which (60%) went to the Dominican Republic. In these countries, the increase in investments in the tourist area has been very important, but they have also grown in the natural resources sector in Jamaica and Guyana.

According to the ECLAC IED report, due to its origin, main sources of direct foreign investment in

the region in 2017 were the European Union and the United States, respectively. The prevalence of Europe is particularly noticeable in South America, while the United States remains the main investor in Mexico and Central America.

In the medium term, fall in FDI in region that has been occurring since 2011 until now has been concentrated almost exclusively in natural resources sector, which decreased by 63%. FDI inflows in services sector fell by 11% and in manufacturing sector they increased slightly. This recomposition gives opportunities to focus investments in those sectors with greatest capacity to promote structural change and sustainable development in the region, a process that must be accompanied by policies that support development of capacities in recipient countries.

"It is not simply a matter of creating conditions for foreign capital to arrive, but so that investments become sources of technological and productive spillovers, of employment, and so that they are oriented towards sustained, inclusive and sustainable economic growth", highlighted. Bárcena.

The report emphasizes that sectors such as renewable energy, telecommunications and automobile manufacturing are examples of how FDI can contribute to diversify the productive structure, improve local capacities, create quality employment and generate linkages with local and regional suppliers. In this regard, we can highlight the increasing investments of the automotive sector in Mexico and Brazil, or manufactures and services for export in Central America and the Dominican

Republic (both topics dealt with in separate chapters of the publication). However, these cases are still insufficient to achieve a productive transformation in the region, he warns.

According to the document, global trends also point towards stability and by 2018 no change of scenario is foreseen, with which the FDI inflows to the region will remain stable around the value of 2017, with a margin of error of 2%. She adds that international context of uncertainty favors a pattern of growth in the leading countries in which domestic investment and local capacities are key factors. Despite recovery of prices of raw materials and interest in new products such as lithium, the large flows of FDI to natural resources of the last decade will not be repeated, ECLAC says.

Meanwhile, outward FDI from countries of region fell more strongly than the entries and amounted to only 23,416 million dollars in 2017, 34% less than what was recorded in 2016 and less than half of what was achieved in 2014.

The trans-Latin companies, which had had a great expansion between 2006 and 2014, failed to diversify their strategy beyond the extractive industries or search for markets in other countries of region, so in a context of recession (or low growth) according to the country) and lower oil and mineral prices, they have had to restrict their operations abroad or, at least, slow down their growth. *L&E*

info



R•B•C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW

¿Quieres estar actualizado en cuanto a información legal?



rbcweb@rbc.com.pa



REGIONAL ACTION IS ESSENTIAL TO GUARANTEE IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT OBJECTIVES

Source: CEPAL

The actions promoted by regional commissions of the United Nations are essential to guarantee implementation of the Sustainable Development Goals (SDGs), because they help to contextualize them and translate them into national realities, and contribute to the development and implementation of joint strategies, said Alicia today.

Bárcena, Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC), at the High Level Political Forum on Sustainable Development that will be held until July 18 in New York. In the framework of the session Implementing the SDGs Lessons from the regions, the highest representative of ECLAC recalled that the five regional commissions of the UN have the function of convening multi-stakeholder dialogue, elaborating data-ba-

sed analyzes, delivering recommendations and promoting the technical cooperation and capacity building around the 2030 Agenda.

At the meeting - moderated by Alicia Bárcena, coordinator of the five regional commissions of the UN - Vera Songwe, Executive Secretary of the Economic Commission for Africa (CEPA); Mohamed Ali Alhakim, Executive Secretary of the Economic and Social Commission for Western Asia (ESCWA); Olga Algayerova, Executive Secretary of the United Nations Economic Commission for Europe (EEC), and Kaveh Zahedi, Deputy Executive Secretary of the Economic and Social Commission for Asia and the Pacific (ESCAP).

During her presentation, Bárcena stressed that the regional commissions have a solid track record in supporting the plan of the

member states and their development agendas, and have the tools to accompany the monitoring efforts and identify where the gaps and areas of development are located. action.

She added that, since adoption of global agenda in 2015, regional commissions have provided their respective member states with discussion platforms focused on the SDGs, peer learning and capacity building through the Regional Forums for Sustainable Development .

The high official of the United Nations said that these forums provide ideal spaces to deepen the SDGs, their indicators and interconnections. They are also spaces to mediate the right conversations between governments and stakeholders, create alliances and identify opportunities for collective action.

In this regard, she highlighted the celebration of the second meeting of the Forum of countries of Latin America and the Caribbean on sustainable Development, held in April 2018 at ECLAC headquarters in Santiago, Chile, which brought together nearly a thousand attendees and it included realization of 38 parallel events.

Alicia Bárcena affirmed that region takes the implementation of the SDGs very seriously. Proof of this is that, by end of 2018, 19 of 33 Latin American and Caribbean countries will have submitted voluntary national reviews to High Level Political Forum on Sustainable Development. In addition, 20 of the 33 countries of Latin America and the Caribbean now have national coordination mechanisms for the implementation and monitoring of the 2030 Agenda at the national level.


She added that, together with defining the mechanisms for implementation and monitoring, countries of region have begun to link their planning systems to the SDGs: of the 33 countries of the region, 27 have medium and long-term plans; 14 have a legal framework that mandates the construction of a development plan and 30 incorporated citizen consultations in the preparation of their plans.

In this regard, he underlined the importance of the Regional Planning Observatory, a tool coordinated by Latin American and Caribbean Institute for Economic and Social Planning (ILPES) of ECLAC, which supports countries in strengthening their planning and management processes. public, as well as in the alignment of these processes with the 2030 Agenda in accordance with their national and subnational realities and priorities.

"The incorporation of the SDGs in national and territorial planning schemes is essential for the implementation of the 2030 Agenda, as well as the integration of the SDGs into commercial models and access to information," she said.

Finally, the senior United Nations official stressed that "the achievement of the 2030 Agenda requires more than the sum of national actions, it needs collective efforts to address regional and global issues."

"Although the realities vary from one region to another, there is a common need to improve regional action to ensure that the achievements are achieved and achieve the changes necessary to build resilient and inclusive societies," she said and called for strengthening interregional cooperation. *L&E*



Source: Fondo Monetario Internacional

ECONOMIC PERSPECTIVES OF THE WORLD ECONOMY LESS UNIFORM EXPANSION, INCREASING COMMERCIAL STRESSES

World growth is projected to reach 3.9% in 2018 and 2019, as predicted by April 2018 edition of the World Economic Outlook (WEO report), but the expansion is no longer so uniform and risks to perspectives are becoming more acute. The expansion rate seems to have peaked in some large economies and growth is not as synchronized. In the United States, the short-term momentum is taking hold, as foreseen in the April edition of the WEO report, and the US dollar appreciated around 5% in the last weeks. Growth projections have been revised downwards for Japan, the United Kingdom and the euro area, as a result of negative surprises for activity at the beginning of 2018. Among emerging market and developing economies, the growth outlook also they are more unequal, in a context marked by the advance of oil prices, the increase in profitability in the United States, the growing commercial tensions and the pressures generated by the market on the currencies of some economies with weaker economic fundamentals.

The growth projections of Argentina, Brazil and India have been revised downwards, while the

prospects of some oil exporters have improved.

- The balance of risks tilts more to the downside, even in the short term. Increases in tariffs announced recently by the United States, added to those expected, and reprisals from trading partners have increased the likelihood of growing and sustained trade measures. That could derail the recovery and tarnish medium-term growth prospects, both through the direct impact on resource allocation and productivity and due to the intensification of uncertainty and damage to investment.

In the financial markets of advanced economies, conditions remain accommodative, with compressed spreads, high valuations in some markets and little volatility, but that situation could change rapidly. The triggers could be the intensification of trade tensions and conflicts, geopolitical concerns and increasing political uncertainty. The increase in inflation in the United States, where unemployment does not reach 4% but whose markets predict a trajectory of interest rate increases much less steep than projected by the Committee of Open Market Operations

of the Federal Reserve, also it could lead investors to suddenly reassess economic fundamentals and risks. Constricting financial conditions could also disrupt portfolios, forcefully shake exchange rates and further reduce capital inflows from emerging markets, especially those with weaker fundamentals or exposed to more political risks.

To preserve global expansion, it remains essential to avoid protectionist measures and find a concerted solution that promotes the continued growth of international trade in goods and services. Policies and reforms should aim to sustain activity, stimulate growth in the medium term and enhance its inclusiveness. But since idle capacity has declined and downside risks are worsening, many countries need to rebuild protection tax margins to leave room for maneuver to economic policy in the face of the next downturn and to strengthen financial resilience in an environment in which market volatility could worsen.

The expansion continues at a more unequal pace. At a time when global cyclical recovery is about to hit two years, rate of expansion seems to have peaked in some economies and growth among countries is less synchronized. Among the advanced economies, divergences in growth between the United States on one hand and Europe and Japan on the other are widening.

Growth is also increasingly unequal among emerging market and developing economies, as a result of combined influence of oil price increases, the increase in US yields, the change in attitude of the markets to the market.

Worsening of commercial tensions and uncertainty in political sphere and around economic policies at the domestic level. Although financing conditions continue to be favorable in general terms, these factors have discouraged capital inflows, made financing more

expensive and compressed exchange rates, especially in countries with weaker economic fundamentals or more acute political risks.

The high frequency data present a varied panorama of international activity in the short term. Retail sales volumes appear to have rebounded in the second quarter and survey data among purchasing managers in the services sector remain, in general, encouraging.

However, industrial production seems to have weakened, and data from surveys conducted among managers in the manufacturing sector point to a decline in new export orders. Prices of raw materials and inflation. Largely as a result of a supply shortfall, international oil prices increased 16% between February 2018 (the reference period of the April 2018 edition of the WEO report) and the beginning of June 2018 (the reference period of the present update).

In June, the Organization of Petroleum Exporting Countries (OPEC) and non-OPEC producers agreed to increase production by approximately 1 million barrels per day from current levels, with the objective of reaching the unmet goal that the group it had been set for November 2016.

Market expectations suggest that Venezuela's declining capacity and US sanctions against Iran could frustrate the group's ambition to achieve agreed-upon production without ups and downs. However, futures markets indicate that prices are likely to decline in next 4-5 years (partly due to increased production of shale oil in the United States); at the end of June, medium-term futures prices were around \$ 59 a barrel (that is, 20% less than current levels).

The rise in fuel prices has pushed up general level of inflation in advanced economies and emerging markets. Core inflation has advanced in the United States as labor

market approaches full employment and shows small increases in the euro area. It has also increased in emerging markets, in some cases as a direct consequence of depreciation of the currency and, in others, due to the effects of second round of rise in fuel prices. The prices of agricultural raw materials show marginal increases, which reflect a decreasing excess supply.

Financial conditions in advanced economies. With a strengthening of inflation and creation of employment as a backdrop, the Federal Reserve of the United States went ahead with the gradual normalization of its policy. In June, it increased the target band for the federal funds rate by 25 basis points, and hinted that there would be two more increases in 2018 and three in 2019; that would be a steeper trajectory than indicated in the month of March.

The ECB announced that it will gradually cut monthly purchases of assets, from the current volume of € 30,000 million to € 15,000 million in October, and that the program would end on December 31. It also indicated that it will maintain monetary policy rates at current levels at least until the end of the summer of 2019, a slightly more accommodating anticipated pattern than markets anticipated. The yield on 10-year US Treasuries, which was around 2.85% at the beginning of July, has risen slightly since February, while its German equivalents, which are around 30 basis points, fell during the same period.

Among the advanced economies, at the end of May, Italian sovereign spreads reached unprecedented highs since 2012, after difficulties to form a new government. The situation was then corrected to the downside, but concerns about future policies yielded a result of around 240 basis points at the beginning of July.

The bond markets of other advanced economies largely escaped contagion effects, and euro area spreads continue to be compressed.

In general terms, the equity of the advanced economies is more valued than in February-March. After bursting in February, volatility has abated and risk appetite is high. As a result, the financial conditions of the advanced economies remain generally accommodative.

Financial conditions in emerging markets. The central banks of the main emerging market economies - Argentina, India, Indonesia, Mexico and Turkey - have increased their monetary policy rates, in response to inflationary and foreign exchange pressures (added in some cases to the rollover of capital flows). Long-term yields also rose in recent months and, in general, spreads widened. In most emerging markets, equity indices fell slightly, in some cases due to concerns about imbalances (for example, Argentina and Turkey), and on a more general level, due to the growing risks downward that surround the prospects.

Exchange rates and capital flows. At the beginning of July 2018, the US dollar it had risen more than 5% in real effective terms compared to February levels (the reference period of the April 2018 edition of the WEO report), while the euro, the Japanese yen and the British pound sterling remained unchanged. big changes. The currencies of some emerging markets, on the contrary, suffered marked depreciations.

The Argentine peso fell more than 20%, and the Turkish lira, around 10%, due to the concerns raised by the financial and macroeconomic imbalances. The Brazilian real has depreciated more than 10%, as a result of a recovery that has defrauded expectations and political uncertainty. South Africa's macroeconomic data was weaker than expected, which contributed to a 7% depreciation of the South African rand, which partially erased the pronounced appreciation at the end of 2017 and the beginning of 2018.

Currencies of largest emerging market economies in Asia have not changed much from

February levels; Chinese renminbi experienced a slight depreciation. Reflecting signs of financial tensions in some vulnerable countries and rising trade tensions, capital flows to emerging economies declined in the second quarter to the end of May, after year had begun strongly, and an upturn was observed. of the sales of debt securities that were part of the portfolio investments of non-residents.

Global growth forecast

For 2018 and 2019, global growth is projected at 3.9%, as in April 2018 edition of the WEO report. Although the global figure suggests that global outlook has not changed since then, underlying reviews point to an evolution of perspectives according to each economy.

The basic forecast assumes that, despite a gradual constriction, financial conditions maintain a favorable trend, with isolated pressures determined by differences in economic fundamentals. It is presumed that the normalization of the monetary policy of the advanced economies will follow its course without ups and downs and with clear communications.

The increase in domestic demand (especially investment, which has been an important component of the global recovery) would continue strongly, even though global product growth would slow down in some cases in which it has exceeded trend for several quarters.

In the baseline forecast, direct contractionary effects of the recently announced and announced foreign trade measures would be slight, since at the moment these measures affect only a very small proportion of international trade [1]. The base forecast also assumes that market optimism will remain largely unchanged, even though the upsurge in trade tensions constitutes a significant downside risk.

According to projections, the growth of the advanced economies will remain above the trend, at 2.4% in 2018 - a level simi-

lar to that of 2017 - and then decrease to 2.2% in 2019. The forecast for 2018 is 0.1 percentage points lower than that of the April edition of the WEO report, largely because a stronger growth moderation is expected in the euro area and in Japan, after several quarters of growth above potential.

- In the United States, short-term impact of the economy would provisionally strengthen, as predicted in April edition of the WEO report, and growth would reach 2.9% in 2018 and 2.7% in 2019. The substantial fiscal stimulus, added to a private demand that is already vigorous, will push the product above the potential and unemployment rate below unknown levels in the last 50 years, exacerbating inflationary pressures.

Imports are likely to pick up thanks to invigoration of domestic demand, deepening the current account deficit of the United States and widening the world's excessive imbalances.

- In euro area, growth would decrease little by little, from 2.4% in 2017 to 2.2% in 2018 and to 1.9% in 2019 (ie a downward revision of 0.2 percentage points) in 2018 and 0.1 percentage points in 2019 compared to the April edition of the WEO report). The forecast for growth in 2018 has been revised downwards in the case of Germany and France, after the activity weakened more than expected in first quarter, as well as in Italy, given that it is forecast that widening of sovereign spreads and worsening financial conditions after recent political uncertainty will curb domestic demand.

- Japan's growth forecast has also been revised downwards, to 1.0% in 2018 (that is, 0.2 percentage points below the forecast of the WEO report for the month of April) after a contraction in the first quarter attributable to the weakness of investment and private consumption. The economy is expected to consolidate in the remainder of the year and into 2019, thanks to the reactivation of private con-

sumption, external demand and investment.

The economies of emerging and developing markets have experienced strong crosswinds in recent months: rising oil prices, rising US yields, appreciation of the dollar, trade tensions and geopolitical conflict. Therefore, perspectives of the different regions and economies vary according to the interaction of these international forces with idiosyncratic internal factors.

In general terms, financial conditions continue to be favorable for growth, although there are differentiations between countries that have to do with economic fundamentals and political uncertainty. Given that benefits for exporters of advancing oil prices are largely neutralized by the burden that the above described forces represent for other economies, group's global growth forecasts for 2018 and 2019 are maintained at levels of WEO report for April: 4.9% and 5.1%, respectively.

- In the emerging and developing economies of Asia, a consistently vigorous performance is foreseen, with a growth of 6.5% in 2018-19. It is projected that China's growth will moderate from 6.9% in 2017 to 6.6% in 2018 and 6.4% in 2019, as regulations cool financial sector and external demand decreases. In India, growth rate would rise from 6.7% in 2017 to 7.3% in 2018 and 7.5% in 2019, as negative effect of the currency swap initiative and adoption disappears. of a tax on goods and services.

This projection is 0.1 and 0.3 percentage points below levels predicted by the WEO report for April 2018 and 2019, respectively, as a result of discouraging effect of higher oil prices on domestic demand and a hardening of the Monetary policy executed earlier than anticipated due to a stronger inflation forecast. It is expected that in ASEAN-5 group, growth will stabilize at around 5.3%, as domestic demand would maintain vigor and exports would continue to recover.

- In the emerging and developing economies of Europe, growth would moderate from 5.9% in 2017 to 4.3% in 2018 and then to 3.6% in 2019 (0.1 percentage points below the forecast in the WEO report for April 2019). Financial conditions are less favorable in some economies with strong external deficits; especially in the case of Turkey, whose growth would decrease from 7.4% in 2017 to 4.2% this year.

- It is projected that Latin America's growth will experience a slight increase, from 1.3% in 2017 to 1.6% in 2018 and 2.6% in 2019 (0.4 and 0.2 percentage points less than projected in the WEO report for April). Although the rise in commodity prices continues to provide support to exporters in the region, the gloom of the outlook for the April edition reflects the complication of the outlook for large economies, due to the constriction of financial conditions and the necessary adjustment of policies (Argentina); the persistent effects of strikes and political uncertainty (Brazil); and the commercial tensions and the prolonged uncertainty surrounding the renegotiation of NAFTA and the new government's policy program (Mexico).

The prospects of Venezuela, which is suffering a drastic collapse in activity and a humanitarian crisis, were revised downward again despite the rebound in oil prices, as production fell sharply.

- Oil exporters in the Middle East, North Africa, Afghanistan and Pakistan have benefited from improved price prospects, but the outlook remains fragile for importing countries. Several economies still have great needs for fiscal consolidation and the threat of a worsening geopolitical conflict continues to weigh on the growth of the region. Growth is expected to grow from 2.2% in 2017 to 3.5% in 2018 and then to 3.9% in 2019; that is, 0.2 percentage points more than in the April edition of the WEO report for 2019.

- The recovery would continue in sub-Saharan Africa, thanks to the advance of the prices of raw materials. At the region level, growth would increase from 2.8% in 2017 to 3.4% this year and 3.8% in 2019 (0.1 percentage points more for 2019 than in the April edition of the WEO report). This more optimistic forecast is due to the improved outlook for Nigeria's economy. Its growth is expected to increase from 0.8% in 2017 to 2.1% in 2018 and 2.3% in 2019 (0.4 percentage points more than expected in the April edition of the WEO report for 2019) thanks to the most encouraging prospects for oil prices. Although in South Africa performance of the economy was weaker than expected in the first quarter (partly due to passenger factors), the economy is expected to recover slightly in the remainder of the year and into 2019, as that strengthening of the trust attributable to the new authorities will be reflected little by little in a strengthening of private investment.
- In the Commonwealth of Independent States, growth would stabilize at around 2.3% in 2018-19, with an upward revision of 0.1 percentage points in each year compared to the April edition of the WEO report. The outlook for the Russian economy is similar to the April forecast; the positive effects of the rise in oil prices would be neutralized by the impact of the sanctions. In Kazakhstan, meanwhile, prospects have improved thanks to rising oil prices.

Risks inclined to the downside
Although the basic forecast of world growth remains more or less unchanged, the risks now tend to fall in the short term and, as predicted in the WEO report of April 2018, continue to be biased downward in the medium term.

The possibility of stronger growth beyond projections has faded slightly as a result of the disappointing results of the first quarter in several large economies, the modera-

tion of high-frequency economic indicators and the worsening financial conditions in some countries. vulnerable economies. On the other hand, the downside risks are now more pronounced, especially around the possibilities of sustained and growing measures in the field of foreign trade and the constriction of international financial conditions.

- Financial stress. Recent flashes of volatility highlight the possibility of abrupt changes in international financial conditions if markets reassess economic fundamentals and risks; For example, if expectations regarding monetary policy are disrupted by the effects of the intensification of commercial tensions, risk or term premia take a sudden leap or political uncertainty sharpens. As pointed out by the WEO report and the global financial stability report of April 2018, the signs of an unexpectedly strong increase in inflation in the United States could lead markets to rethink expectations about rate hikes. of US interest, which are currently well below the baseline forecasts of the WEO report.

A sudden loss of risk appetite could upset the portfolios, accelerate and broaden the reversal of capital flows from emerging markets and further raise the US dollar, stressing economies with strong leverage, exchange rates fixed or mismatched balances. In some euro area economies, inaction in terms of policies and political shocks at the national level could lead to a decompression of sovereign spreads, worsening the dynamics of public debt and eroding bank balance sheets. In China, where the authorities are taking satisfactory measures to cool credit growth, the lack of coordination of regulatory action between the financial sector and local governments could have unintended consequences and lead to a disorderly revaluation of financial assets, exacerbating risks of refinancing and produce stronger negative effects than anticipated in the activity.

- Commercial tensions. The outlook is also

clouded by current trade tensions and the declining support of some advanced economies in favor of international economic integration. In recent months, the United States has imposed tariffs on a variety of imports, prompting retaliation from business partners. At the same time, NAFTA and economic relationship between the United Kingdom and the rest of European Union are in process of being renegotiated. An escalation of commercial tensions could detract optimism from business sector and financial markets, striking a blow to investment and international trade. Beyond its immediate negative effect on market sentiment, proliferation of trade measures could deepen uncertainty surrounding its potential scope, hindering investment, while increasing trade barriers would make tradable goods more expensive, would upset supply chains and discourage diffusion of new technologies, reducing productivity.

- Non-economic factors. By raising the possibility that implementation of reforms will be delayed or that policy objectives will change significantly, uncertainty - even in context of upcoming elections or their immediate repercussions in several countries - could discourage private investment and weaken activity. In Europe, massive sale of Italian bonds at the end of May has once again highlighted the deep structural challenges and the low margins of protection that exist at the national level, which implies significant risks for the outlook. Geopolitical risks and internal conflicts are weakening the prospects of several economies, especially in the Middle East and sub-Saharan Africa.

In addition, many countries remain vulnerable to the economic and humanitarian costs of extreme weather events and other natural disasters, which have potentially significant cross-border ramifications through migration flows.

Priorities for economic policy

Although the basic forecasts for the world eco-

nomy point to an uninterrupted, albeit more unequal, expansion in 2018-19, the chances of a disappointing evolution are now greater.

Against this background, it is even more pressing to promote policies and reforms that expand the current expansion and strengthen resilience to ward off the possibility of going backwards, with the consequent upheavals. Likewise, projections of medium-term per capita growth remain below the averages of the past in many economies. Unless exhaustive measures are taken to stimulate the potential product and make the benefits reach everyone, the disenchantment with current economic mechanisms may well accentuate the inclination for isolationist policies harmful to growth.

Multilateral cooperation within an open and rule-based international trading system plays a vital role in preserving global expansion and improving medium-term prospects. In view of diversity of cyclical positions, structural limitations and the margin of maneuver of economic policy, priorities vary according to the country.

- In advanced economies, macroeconomic orientation should be adapted to the maturity of the cyclical position. In cases where inflation is converging towards the goals, a gradual monetary normalization, well communicated and dependent on the data can guarantee an adjustment without ups and downs. With debt levels approaching record highs in many countries, fiscal policies should begin to reconstitute margins of protection as needed.

The pace should be calibrated to avoid burdening growth with heavy ballasting and should be accompanied by appropriate measures to enhance economic inclusion. The pro-cyclical fiscal stimulus should be avoided and reversed (for example, in the United States), while countries with excessive fiscal room and surpluses should

redouble their efforts to increase the potential for domestic growth and address global imbalances (for example, Germany).

To improve the medium-term outlook, countries should give priority to supply-side measures that increase potential output and productivity; among other things, investing in physical and digital infrastructure, stimulating participation in the workforce if aging threatens future supply of labor and improving skills of workforce.

In some advanced economies in the euro area, it is necessary to eliminate the remaining vulnerabilities in the financial sector, through continuous consolidation of balance sheets, the promotion of consolidation in jurisdictions with an excessive banking presence and an increase in the bank profitability.

More generally, avoiding an indiscriminate dismantling of regulatory reforms adopted after the crisis would help maintain resilience in a potentially more volatile financial environment.

- Many emerging market and developing economies need to strengthen resilience through an appropriate mix of fiscal, monetary, exchange rate and prudential policies to mitigate vulnerability to worsening global financial conditions, strong currency movements and reversals of debt flows. capital.

Traditional recommendation regarding the importance of restricting excessive credit growth where necessary, propping up healthy bank balance sheets, containing mismatches of maturities and currencies, and maintaining orderly conditions in the markets is more relevant given the renewed volatility of the markets. In general, it will be important to maintain exchange rate flexibility to cushion the impact of adverse external shocks, although it is necessary to closely monitor the effects of currency deprecia-

tions on private and public sector balance sheets and domestic inflation expectations.

Given that debt levels have increased rapidly in both emerging and low-income economies over the past decade, fiscal policy should focus on preserving and reconstituting margins of protection when necessary, through enabling growth measures that protect to the most vulnerable segments of the population.

To increase potential growth and enhance its inclusiveness, structural reforms remain essential to decompress infrastructure bottlenecks, improve business climate, modernize human capital and ensure that all segments of society have access to opportunities.

- Multilateral cooperation remains vital to face challenges that transcend borders of each country. The international economic integration that took place within an open, rule-based and multilateral international trading system has improved living standards, contributed to increased productivity and disseminated innovation throughout the world. To preserve and expand these advances, countries should collaborate in order to further reduce the costs of international trade and resolve disagreements without lifting tariff and non-tariff barriers.

Concerted global efforts are essential in a wide range of areas, such as completing financial regulatory reform program, preventing further accumulation of excessive global imbalances, strengthening international taxation, and mitigating and dealing with climate change.

[1] These include increase in US tariffs on solar panels, washing machines, steel, aluminum and a variety of Chinese products, as well as retaliation announced by business partners until July 6. The effect of broader trade measures announced by the United States on July 10 is not incorporated into the base forecast. *L&E*

Cuadro 1. Panorama de las proyecciones de Perspectivas de la economía mundial
(Variación porcentual, salvo indicación en contrario)

	Interanual						T4 a T4 2/		
	Proyecciones				Diferencia con las proyecciones del informe WEO de abril de 2018 1/		Proyecciones		
	2016	2017	2018	2019	2018	2019	2017	2018	2019
Producto mundial	3.2	3.7	3.9	3.9	0.0	0.0	4.0	3.8	3.8
Economías avanzadas	1.7	2.4	2.4	2.2	-0.1	0.0	2.6	2.4	1.9
Estados Unidos	1.5	2.3	2.9	2.7	0.0	0.0	2.6	3.0	2.4
Zona del euro	1.8	2.4	2.2	1.9	-0.2	-0.1	2.8	1.9	2.0
Alemania	1.9	2.5	2.2	2.1	-0.3	0.1	2.9	2.1	1.9
Francia	1.1	2.3	1.8	1.7	-0.3	-0.3	2.8	1.4	1.8
Italia	0.9	1.5	1.2	1.0	-0.3	-0.1	1.6	0.9	1.2
España	3.3	3.1	2.8	2.2	0.0	0.0	3.1	2.5	2.2
Japón	1.0	1.7	1.0	0.9	-0.2	0.0	2.0	1.0	-0.6
Reino Unido	1.8	1.7	1.4	1.5	-0.2	0.0	1.3	1.5	1.5
Canadá	1.4	3.0	2.1	2.0	0.0	0.0	3.0	2.1	1.9
Otras economías avanzadas 3/	2.3	2.7	2.8	2.7	0.1	0.1	2.9	2.9	2.7
Economías de mercados emergentes y en desarrollo	4.4	4.7	4.9	5.1	0.0	0.0	5.2	5.0	5.4
Comunidad de Estados Independientes	0.4	2.1	2.3	2.2	0.1	0.1	1.5	2.4	2.1
Rusia	-0.2	1.5	1.7	1.5	0.0	0.0	1.1	2.2	1.9
Excluida Rusia	1.9	3.6	3.6	3.7	0.1	0.1	...	...	...
Economías emergentes y en desarrollo de Asia	6.5	6.5	6.5	6.5	0.0	-0.1	6.7	6.5	6.5
China	6.7	6.9	6.6	6.4	0.0	0.0	6.8	6.5	6.3
India 4/	7.1	6.7	7.3	7.5	-0.1	-0.3	7.5	7.4	7.8
ASEAN-5 5/	4.9	5.3	5.3	5.3	0.0	-0.1	5.4	5.3	5.4
Economías emergentes y en desarrollo de Europa	3.2	5.9	4.3	3.6	0.0	-0.1	6.1	2.1	5.9
América Latina y el Caribe	-0.6	1.3	1.6	2.6	-0.4	-0.2	1.7	1.7	2.6
Brasil	-3.5	1.0	1.8	2.5	-0.5	0.0	2.2	2.3	2.4
México	2.9	2.0	2.3	2.7	0.0	-0.3	1.5	2.8	3.0
Oriente Medio, Norte de África, Afganistán y Pakistán	5.0	2.2	3.5	3.9	0.1	0.2	...	...	...
Arabia Saudita	1.7	-0.9	1.9	1.9	0.2	0.0	-1.4	2.8	2.0
África subsahariana	1.5	2.8	3.4	3.8	0.0	0.1	...	...	...
Nigeria	-1.6	0.8	2.1	2.3	0.0	0.4	...	...	...
Sudáfrica	0.6	1.3	1.5	1.7	0.0	0.0	1.9	1.5	1.1
Partida informativa									
Países en desarrollo de bajo ingreso	3.5	4.7	5.0	5.3	0.0	0.0	...	...	...
Crecimiento mundial según los tipos de cambio de mercado	2.5	3.2	3.3	3.3	-0.1	0.0	3.4	3.2	3.1
Volumen del comercio mundial (bienes y servicios) 6/	2.2	5.1	4.8	4.5	-0.3	-0.2	...	...	...
Economías avanzadas	2.2	4.2	4.3	4.0	-0.5	-0.2	...	...	...
Economías de mercados emergentes y en desarrollo	2.2	6.7	5.7	5.4	0.2	0.0	...	...	...
Precios de las materias primas (dólares de EE.UU.)									
Petróleo 7/	-15.7	23.3	33.0	-1.8	15.0	4.7	19.6	22.5	-6.4
No combustibles (promedio basado en ponderaciones de la exportación mundial de materias primas)	-1.5	6.8	6.0	0.5	0.4	0.0	1.9	7.6	-0.3
Precios al consumidor									
Economías avanzadas	0.8	1.7	2.2	2.2	0.2	0.3	1.7	2.4	2.2
Economías de mercados emergentes y en desarrollo 8/	4.3	4.0	4.4	4.4	-0.2	0.1	3.5	4.0	3.7
Tasa interbancaria de oferta de Londres (porcentaje)									
Sobre los depósitos en dólares de EE.UU. (seis meses)	1.1	1.5	2.6	3.5	0.2	0.1	...	...	...
Sobre los depósitos en euros (tres meses)	-0.3	-0.3	-0.3	-0.1	0.0	-0.1	...	...	...
Sobre los depósitos en yenes japoneses (seis meses)	0.0	0.0	0.0	0.1	0.0	0.0	...	...	...

Nota: Se parte del supuesto de que los tipos de cambio efectivos reales se mantienen constantes a los niveles vigentes entre el 3 y el 31 de mayo de 2018. Las economías se enumeran en base a su tamaño. Los datos trimestrales agregados están desestacionalizados.

1/ Diferencia basada en cifras redondeadas, tanto en los pronósticos de esta Actualización como en los de la edición de abril de 2018 de Perspectivas de la economía mundial. Los países cuyo pronóstico ha sido revisado en relación con la edición de abril de 2018 de Perspectivas de la economía mundial generan 94% del PIB mundial medido sobre la base de la paridad del poder adquisitivo.

2/ En el caso del producto mundial, las estimaciones y proyecciones trimestrales abarcan aproximadamente 90% del producto mundial anual ponderado según la paridad del poder adquisitivo. En el caso de las economías de mercados emergentes y en desarrollo, las estimaciones y proyecciones trimestrales abarcan aproximadamente 80% de la producción anual del grupo ponderado según la paridad del poder adquisitivo.

3/ Excluye el Grupo de los Siete (Canadá, Francia, Alemania, Italia, Japón, el Reino Unido y Estados Unidos) y los países de la zona del euro.

4/ En el caso de India, los datos y pronósticos están basados en el ejercicio fiscal, y el PIB a partir de 2011 está basado en el PIB a precios de mercado tomando como año base el ejercicio 2011-12.

5/ Indonesia, Malasia, Filipinas, Tailandia y Vietnam.

6/ Promedio simple de las tasas de crecimiento de los volúmenes de exportación e importación (bienes y servicios).

7/ Promedio simple de los precios de las variedades de crudo U.K. Brent, Dubai Fateh y West Texas Intermediate. El precio promedio del petróleo fue \$52.81 en 2017; el precio supuesto con base en los mercados de futuros (al 1 de junio de 2018) es \$70.23 en 2018 y \$68.99 en 2019.

8/ Excluye Argentina y Venezuela.



CLIMATE CHANGE THREATS WITH TRANSFORMING MARINE AND SWEET WATER ECOSYSTEMS

Source: FAO

The new analyzes and models published today by FAO - with the collaboration of more than a hundred scientists - project that by the year 2050 climate change will have altered the productivity of many of the marine and freshwater fisheries on the planet, affecting the livelihoods of millions of the world's poorest people.

While the productive potential of fishing in exclusive marine economic zones (EEZs) - zones of 200 nautical miles adjacent to the coastal States over which they have special exploitation rights - could decrease by less than 12 percent on average, this fact hides the most important variations in the productive potential at the regional level, as the models suggest.

The report warns that the planet's inland water systems - of enormous importance, but often overlooked - that include five of the least developed countries in the world among the ten that produce the

most fish, and provide 11.6 millions of tons of food for human consumption every year.

The consequences are related to changes in water temperature, pH levels and oceanic circulation patterns, with sea level rise and patterns of rainfall and altered storms that will cause species to change their distribution and productivity, corals they become discolored and there is a greater frequency of aquatic diseases.

The projections appear in a report of 654 pages of analysis and information at the global, regional and national level presented today by the FAO, which is the most complete publication elaborated to date on climate change and fisheries.

Impacts of climate change on fisheries and aquaculture: Synthesis of current knowledge and adaptation and mitigation options includes both new research and a genuine summary of the latest scientific information on how a

changing climate is altering the oceans, lakes and rivers of the world and transforming the lives of the communities that depend on them.

A series of case studies focus on the challenges - as well as the adaptation solutions that are already being explored - in 13 major marine areas, ranging from the Arctic to the Mediterranean.

The core chapter offers tools and options to help countries cope with this situation, in a way that also allows them to meet their adaptation commitments based on the Paris Agreement. If these measures are implemented properly, impacts of climate change can be minimized, experts say.

"The inclusion of adaptation measures in fisheries and aquaculture is currently hampered by the lack of specific analyzes on the vulnerability of the sector to climate change, as well as the opportunities and responses available," said the Director General of FAO, José Graziano da Silva.

"This study," he added, "will help countries strengthen the resilience of communities dependent on fisheries and aquaculture in the face of climate change and extreme events, which is a fundamental element to achieve sustainable development without leaving anyone behind."

In presenting the report, Director General of FAO, José Graziano da Silva, urged the international community to provide adequate support to help countries adapt. In particular, he urged governments that are part of the Council of the UN Green Climate Fund to resolve their differences over funding.

The failure of the council during its meeting last week to agree important decisions, and in particular the replenishment of the fund, means that it could be exhausted next year, said the Director General of FAO.

"We are faced with exhausting the most important element of the Pa-

ris Climate Agreement," he warned. "When we signed Paris Agreement, helping poorest countries to adapt was a sine qua non condition so as not to fail in its implementation," Graziano da Silva added.

Scenarios of oceanic change

In a modeling exercise included in the FAO report, based on the "firm mitigation" scenario RCP2.6 of the Intergovernmental Panel on Climate Change (IPCC), fishing production in marine EEZs would be reduced by 2, 8 and 5.3 percent by 2050. According to another scenario, the RCP8.5 "act as usual", the decrease could range between 7 percent and 12.1 percent by 2050.

The greatest decreases are expected in the EEZs of the tropical countries -mainly in the South Pacific- while in the regions of greater latitude the potential for captures is likely to increase.

The report notes that even in areas where productivity will be adversely affected, fish catches could continue to grow if countries implement adequate adaptation measures and effective fisheries management regimes.

Changes in catch levels will occur partly as a result of fish species modifying their geographic distribution in response to climate change. This has already been well documented in northeastern and northwestern Atlantic, and also for high-value tuna.

Changes in the distribution and migration patterns of this broad spectrum of fish could have a significant impact on the national income of tuna-dependent countries, particularly in the small island developing States (SIDS) of the Pacific.

As changes in distribution take place, new agreements will be needed among fishers within national fishing fleets, and also between countries to allow for coordinated responses, the report emphasizes.

Inland waters and aquaculture in danger

The productive impacts on inland water systems will vary from one place to another, but no region of the world will be immune. The report provides estimates on how the climate, water use and population pressure will change in 149 countries, and explores the future evolution of the Yangtze, Ganges and Mekong rivers in Asia; the Congo River basin and the Great Lakes system in Africa; the inland lakes of Finland in Europe; and the river basins of La Plata and the Amazon in South America.

In the case of freshwater aquaculture, it is estimated that Viet Nam, Bangladesh, Laos and China are the most vulnerable countries, and in marine aquaculture would be Norway and Chile, due to the size of their fish systems and their dependence on a few species.

Options for adaptation

Ya existe una gama de herramientas de gestión pesquera que pueden usarse para responder al cambio climático, señala el informe, pero muchas necesitarán ser reestructuradas para responder a las necesidades específicas en contextos específicos.

Para garantizar que las adaptaciones sean sinérgicas y no lleven a una adaptación deficiente, la FAO las agrupa en tres categorías: respuestas institucionales y de gestión; fortalecer y diversificar los medios de vida de la población; y mitigar los riesgos y apoyar la resiliencia.

El desafío del cambio climático puede superarse, según la FAO, y este nuevo estudio indica cómo hacerlo de manera eficaz, al tiempo que se minimizan sus impactos y se maximizan las oportunidades. *L&E*

info



R•B•C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW

¿Quieres estar actualizado en cuanto a información legal?



rbcweb@rbc.com.pa

EFFECTS OF THE RISE OF TARIFFS IN THE UNITED STATES, CHINA AND EUROPE

Idalia Ballesteros - Assistant
idalia.ballesteros@rbc.com.pa

The United States and China, the world's largest economies, have maintained for some time the greatest trade war in history, in a scenario in which Russia also faces the protectionism of President Donald Trump.

This war began from the moment that Washington began to apply heavy tariffs on a total of \$ 34 million of imports of Chinese products, particularly cutting-edge technology. In response, Beijing reacted immediately with tariffs on US products and filed a formal complaint with the World Trade Organization.

For their part, other countries in the region also announced increases in additional tariffs on US import products, for example, Russia, which range from 25% to 40%; Moscow prepares retaliatory measures to the tariffs adopted by the United States to import steel and aluminum.

The Chinese Ministry of Commerce said in a statement that it was "obliged" to impose reprisals to defend the fundamental interests of the country and its population. Beijing didn't

provide further details on the amount and nature of its measures, although the official Xinhua news agency said that complementary customs duties had been imposed on US products.

Beijing believes that the succession of tariffs initiated by Washington "will drag the world economy into a danger zone" and "weaken confidence" globally.

Some of the products that the Chinese government has targeted are: soy, sorghum, cars, pig heads, pistachios, Jack Daniel's whisky.

China accuses Washington of launching the largest trade war in economic history and denounced that the United States has violated the rules of the World Trade Organization (WTO). Chinese Premier Li Keqiang warned that a trade war does not benefit anyone because it harms free trade and the multilateral process. He said that if a country wants to increase tariffs, China will respond to defend itself.

In short, it will be \$ 50 billion of Chine-

se imports per year that will be affected by these measures, aimed at compensating what Trump considers is the theft of intellectual property and technology by China. We can mention that trade deficit with China at the center of the current confrontation between Washington and Beijing has increased 95% between January and May. China is main buyer of US soybeans and Chinese importers probably increased volume purchased before entry into force of customs duties. Due to this commercial war, shipments of US Soybeans to China are increasingly reduced; For this reason, Brazil, which is largest soybean exporter in the world, could import up to 1 million metric tons of its main competitor in world sales, which would be a new surprise in commercial dispute between China and United States.

Within this so-called commercial war, the European Union has a letter to play that opposes the United States and China, with the condition that it be united. Between the balance of forces between the United States and China, which represent two completely different forms of the same capitalist impulse, Europe can play a particular card, declared Lagarde at the economic meetings in Aix-en-Provence. Europe is strategic both for the United States and for China, particularly in trade.

On Monday, July 16, the United States denounced to the World Trade Organization (WTO) the European Union, China, Mexico, Canada and Turkey for the application of tariffs on their exports in response to the taxes imposed by Washington on the imports of aluminum and steel. These complaints have been presented independently and formally to the world body on the grounds that the tariff measures of these five economies are "illegal", unlike the

taxes imposed by the White House, which respond to a question of "national security", the Department of Commerce said in a statement.

The decision of Washington on July 16 coincides with the formal complaint filed hours before by Beijing against the United States for its decision to impose additional tariffs worth 200 billion dollars to a list of Chinese products. The first major direct losers in the trade dispute between the United States and China are the large container vessel operators that transport those goods now subject to new tariffs. This trade protectionism has resulted in a reduction in imports and exports and the maritime transport industry suffers due to this reduction in volumes. And nobody is doing worse than A.P. Moeller-Maersk, the largest cargo ship company in the world, based in Copenhagen, Denmark. Countries such as South Korea, Singapore or Taiwan may also be affected by changes in the supply chain. China gets many of the components that end up in their finished products from these countries. As Nick Marro of the Economic Intelligence Unit points out, "any change in China's export flow would inevitably affect" these countries.

The situation could also lead to a change in manufacturing flows to those countries, or to these countries taking advantage of and selling to the United States, but that change would take time, and it is hard to imagine who could match the scale of China's demand. And in the end, all consumers would end up paying more for those products.

For its part, the International Monetary Fund (IMF) warned recently that the United States would be in a very vulnerable position if

its trade protectionism unleashes widespread retaliatory measures. In its review of the global economic outlook, released on Monday, July 16, the entity warned that the "risk that current trade tensions intensify and negatively impact on confidence and investment, represents the greatest threat to world growth in the short term. " Recent data from Europe and Asia point to a decline in export orders and a faltering confidence among some car exporting countries, such as Germany. The trade war will strike a blow to global growth, "Hua Chunying, a spokeswoman for the Chinese Foreign Ministry, told a news conference, adding that figures and warnings made public in recent weeks by organizations such as the International Monetary Fund (IMF), World (WB) or the Organization for Economic Cooperation and Development (OECD),

according to which, the conflict will negatively affect trade and international growth. Of course, the impact on world economic growth will be significant; The world economy will grow less because companies produce to sell and if they sell less as a result of higher tariffs on inputs, they will produce less. As it is more expensive to produce, the goods go up in price and that reduces production. In conclusion, lower world trade due to higher tariffs, then lower economic growth; not only the United States and China are affected, but also those countries that sell inputs to China, which will now produce less. The issue is complicated and delicate, because basically what is at issue is the entire system currently designed on trade. We don't know how it will end and that uncertainty hurts the global economy. *L&E*



Fuente
www.bbc.com
infobae.com
www.elnuevodia.com
estrella.com.pa



Environmental CAPSULE

INTERNATIONAL DAY OF CONSERVATION OF THE MANGROVE ECOSYSTEM

Milena Vergara - Assistant
milena.vergara@rbc.com.pa

The International Mangrove Ecosystem Conservation Day is celebrated every year on July 26. This day has been created with the aim of raising awareness among world population about actions aimed at reflection and call the attention of society in general, on the need to recover and protect ecosystems as spaces that generate life.

The mangrove is a habitat formed by forest species of woody plants that develop in lagoons, banks and protected tropical coasts. Mangroves are able to promote biodiversity thanks to the submerged roots that serve for fish, mammals and invertebrates. In addition, they live a large number of bird species, as well as harbor thousands of migratory birds, many of them in danger of extinction.

The mangroves perform protection functions of the coasts against erosion and the waves that occur in them. Some benefits that mangroves offer us:

- Protects the soil from erosion and extreme natural events.
- Its roots and branches keep the carbon in the soil.

- It is fundamental for the first phase of the life cycle of the fish.
- They function as the habitat of multiple species and host great marine biodiversity.

It is of the utmost importance that values of the mangrove ecosystem are known globally and that they can protect and use them correctly.

Also take stronger actions to protect them, develop efficient management plans that allow responsible use of mangrove productivity so that laws are established to ensure their protection.

In our country we must have greater environmental awareness to avoid landfills for buildings, soil erosion and sedimentation, wood extraction, among others, as this contributes to poor practices in the conservation of mangroves and their value as a natural resource of multiple use.

"Mangroves are unique and irreplaceable ecosystems, let's take care of them" L&E

Illustrious PEOPLE

LÓPEZ OBRADOR: 50 MEASURES OF AUSTERITY AND TRANSPARENCY FOR MEXICO

Andrés Manuel López Obrador, new president of Mexico with a high level of popularity and acceptance by the people, who see him as the person who will take the country out of corruption. An anti-system man like himself was described and that was his spearhead to win the elections.

In a meeting with the senators and elected representatives of Morena, PT and PES read his government's austerity plan that

will eliminate many of the royalties of deputies, senators, judges and senior institutional officials.

Work from Monday to Saturday at least eight hours a day; not have more than five advisors; don't travel abroad; except in exceptional cases; Don't remodel your offices to luxury and not have bodyguards.

Reduction of your own salary. Based on Article 127 of the Mexican Constitution,

which refers to an "adequate" remuneration to public office, the president has lowered his salary to 50%, without admitting compensation or bonuses. In addition, all members of the Government who earn more than one million pesos a year will see their salaries reduced by half.

The purchase of new and luxury vehicles, a custom at the beginning of each Government, has been canceled, in the same

way that all helicopters and official planes are going to be sold, except what is used in rescue and security tasks.

The deputies and senators will see disappear privileges such as the payment of their mobile phones, gasoline, food and airline tickets to travel home.

This series of laws, in essence, according to the experts, fulfill many of the promises he announced in his election campaign.



Lisbeth Martéz
lisbeth.martez@rbc.com.pa

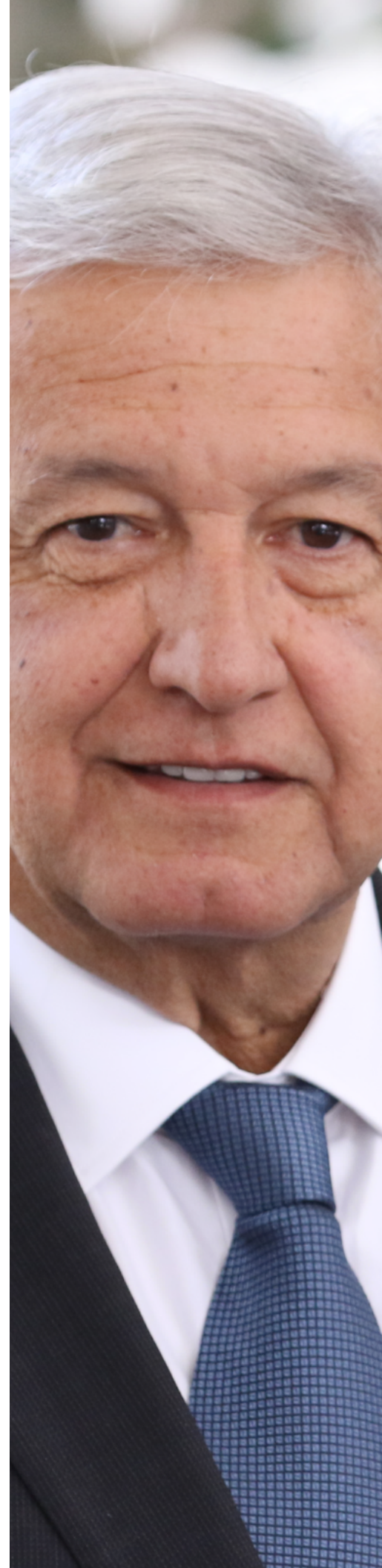


NEXT, THE 50 AUSTERITY GUIDELINES:

- 1** Article 108 of the Constitution will be reformed so that the President of the Republic in office can be tried for electoral crimes and related to acts of corruption.
- 2** All privileges and privileges for public officials will be suspended.
- 3** The Law will be reformed to consider serious crimes the influence peddling, corruption, the association between officials and individuals to commit frauds to the Treasury, fuel theft and electoral fraud in any of its modalities. Penalties will not allow the accused to obtain bail.
- 4** The Attorney General's Office will count on the facts with absolute autonomy. It will not receive any slogan from the Presidency and its practices will adhere to the principle of liberal law, according to which: "at the margin of the law nothing, and above the law nobody."
- 5** The Electoral Prosecutor's Office will guarantee that the elections are clean and free. It will prevent, investigate and punish the purchase of votes, coercion, threats, use of public budget or assets to favor parties and candidates. It will pursue any type of electoral fraud.
- 6** The Anti-Corruption Prosecutor's Office will be the guarantor to avoid this evil that has so damaged Mexico and will not, under any circumstances, allow impunity to prevail. You can act with absolute freedom, and punish any person who commits a crime of that nature, regardless of who is involved, including fight partners, officials, friends and family. "A good judge for the house begins."
- 7** All officials must present their declaration of property, assets, and their close relatives. This information will be published and transparent in all cases.
- 8** The President will earn less than half of what President Enrique Peña Nieto receives, without any compensation.
- 9** There will be no acquisitions of new vehicles for officials.
- 10** Computer systems will not be purchased in the first year of the Government. "In some cases, especially in the governments that have been, these purchases are made just to steal the money, for the moche, to take advantage personally."



- 11** There will be no more than five advisors per Secretariat in the federal Government.
- 12** Only private secretaries, secretaries of the Cabinet or equivalent will have.
- 13** There will be no bonuses or other canonries.
- 14** Travel expenses will be limited to those essential.
- 15** Any item for private medical expenses will be deleted.
- 16** There will be no special savings account, that is, the item known as "Individualized separation insurance" will no longer exist.
- 17** You will not travel abroad without authorization from the Secretary and the corresponding departure will be limited to what is indispensable.
- 18** Trusts and any other mechanism used to conceal public funds and evade legality and transparency will be canceled.
- 19** With the exception of officials directly related to the application of public security policies, no other will have bodyguards.
- 20** All duplicate programs and structures, large offices, press offices, functions or corresponding programs will be centralized in a single unit or coordination. Secretaries will not have offices for the press, it is one.
- 21** This will reduce by 70 percent all trusted staff.
- 22** Salaries of public officials who earn more than one million pesos per year will be reduced by half.
- 23** No one may use private planes or helicopters. The fleet of aircraft and helicopters of the Federal Government will be sold. Only air vehicles will be conserved to safety, to civil protection and to ambulances areas.
- 24** Pensions to former presidents of the Republic will be canceled.
- 25** The use of official vehicles and other public goods for private matters will be prohibited.





- 26** Public officials will be prohibited from hiring family members.
- 27** Trusted workers will work from Monday to Saturday and at least eight hours a day.
- 28** You can't go to work while intoxicated or drink alcoholic beverages in public offices.
- 29** Government advertising spending will be reduced by 50 percent.
- 30** Treasury, Communications, Energy and other areas that live in parties, meals, sports games or trips, with contractors, concessionaires, large taxpayers, suppliers, or investors linked to public function shall be prohibited
- 31** No public official may occupy workers at the service of the State, if it is not allowed or does not have authorization to do so.
- 32** No official, without cause of emergency, may order to close streets, stop traffic, not respect traffic lights, or park in prohibited places.
- 33** No merchandise will be acquired of which there is sufficient existence in public warehouses.
- 34** No se remodelarán oficinas ni se comprará mobiliario de lujo.
- 35** Only secretaries and undersecretaries will have the support of chauffeurs.
- 36** The police or and military of the different corporations will not be at the service of officials or individuals without full justification.
- 37** The Presidential General Staff will be fully incorporated into the Secretariat of National Defense and will be responsible for protection, surveillance of public spaces, strategic facilities, and the security of Mexicans.
- 38** The official residence of Los Pinos will become part of the Bosque de Chapultepec and will become a space for art and culture.
- 39** Disappearance items for any ceremonial and ceremonial act dedicated to the President, his close associates and relatives will disappear.
- 40** All spying or telephone intervention work that affects the right to privacy of people will be canceled. The Government's intelligence system will be exclusively dedicated to prevention of crimes, fight against crime and preservation of national security.



- 41** The assets of the offices will be taken care of by public servants to protect the collective heritage. One has to take care of common, collective goods.
- 42** Unnecessary office costs will be avoided and electricity, water, fixed and mobile telephony, internet, gasoline and other inputs paid by the treasury will be saved.
- 43** Citizens will be treated with kindness in the offices and in any place where they are identified.
- 44** Government purchases will be made in a consolidated manner, through a call, with citizen observation, and from the UN Transparency office.
- 45** The same government works contracts will be carried out through public bidding with the participation of citizens and observers from the UN.
- 46** There will be no item in the budget available to deputies and senators. The shameful practice of the so-called moches will end.
- 47** No public official may receive gifts whose value exceeds 5 thousand pesos.
- 48** The hiring of offices or external consultants or advisors will not be authorized to prepare Law projects, development plans, work reports, or any type of analysis, writing or recommendations that can be made with the work and professional capacity of the servers. public.
- 49** In commercial, financial relations with international companies, preference will be given to those originating in countries whose governments are characterized by their honesty and punish in a consistent manner the practices of bribery or corruption.
- 50** Contracts signed with national or foreign companies that have been granted through the most influential, corruption and that cause damage to the Treasury will be reviewed. In case of anomalies that affect the national interest, it will go to the Congress of the Union and to national or international courts.

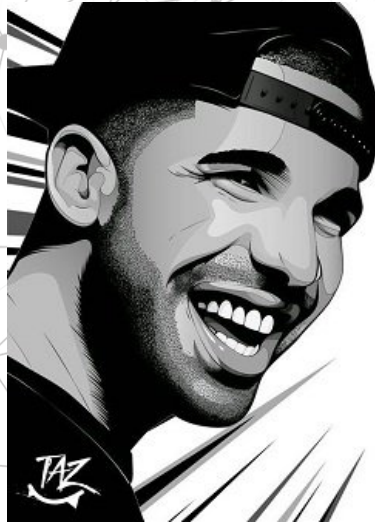
Our brother country already has the person that they hope will be the one that liberates them from what many countries are living one of the greatest crimes of history and it is the corruption that has touched in one way or another to large or small countries like US.

In these upcoming elections of 2019 we will have the opportunity to have a presidential candidate who offers us half, if not 50, of the austerity measures that his president-elect himself has promised that will govern as of December 1, 2018, day when Mexicans wait for the revolution of change to take place.

Like Mexicans, we are also weary of the traditional parties that have ruled our country for decades and we also hope to have a candidate of that magnitude. *L&E*



#TRENDING TOPIC



IN MY FEELINGS CHALLENGE

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

The new challenge that has become viral is the so-called "In my feelings Challenge" also known as "Kiki Challenge" and "ShiggyChallenge".

The song used for the challenge is In my Feelings by Canadian musician Drake from his fifth studio album Scorpion (2018). It was released on radio on July 10, 2018 as fifth single from the album. The song features additional voices from City Girls.

The new challenge that has served very well as the marketing of the new single has its origin when the comedian Shiggy in his Instagram account theshiggyshow post in his account a video of him dancing to the song's sound showing dance movements that caricaturize the lyrics of the song.

After the single was released, there were

several people and even celebrities who tried to teach their movements imitating the lyrics of the song; one of them was Will Smith from the top of a bridge in Budapest.

The main thing about this new "challenge" are the dance movements, however, like Will Smith many wanted to do this demonstration in a new way and that is where one of the most dangerous ways to do it comes, which is to record while the car stays in motion doing a dance; they will ask themselves and Why with a car?, can it be justified simply that the refrain of the song when it says: "Kiki, do you love me? Are you riding?"

"Kiki, do you love me? you're driving?", which is why people assimilate the driving movement. Many of the videos that appear on the social networks of the challenge involving the car in movement have occurred accidents and it is there

where the authorities have taken note of the incidents that have been occurring, in countries like in Egypt doing this challenge can lead the person to a fine of \$ 167.00 dollars or up to one year in prison for obstruction of the road, in Abu Dhabi, Uruguay and like Spain the authorities are willing to impose the fines of traffic obstruction.

Not only do they not recommend doing it because of traffic obstruction, if the challenge in question comes out of the hands of the person it can involve fatal accidents and even injuries to third parties.

In Panama the story is not different, the Transit and Land Transportation Authority (ATTT), already called on drivers to refrain from carrying out the challenge that has already been met by some Panamanian "celebrities".

"We are calling on you not to replicate #In-MyFeelingsChallenge because it is exposing yourself to distractions that only risk risking your life and that of other people" - Julio C. González -director general of the ATTT of Panama.

At the moment we do not know of accidents or fines have been imposed in our country, but to merit it surely these will be imposed. *L&E*



info



R♦B♦C

Rivera • Bolívar • Castañedas

ATTORNEYS AT LAW

¿Quieres estar actualizado en cuanto a información legal?



rbcweb@rbc.com.pa

397-3000 / rbc.com.pa

Sport Capsule



Ana Sofía Corrales
rbcweb@rbc.com.pa

The 2018 World Cup that was held in Russia was completed and filled everyone with passion and surprises. Undoubtedly, this sport unites the world, and the championship will always be the one that most loves it, since there are no small teams, if their will is great.

After the World Cup some stars put an end to their adventures in the World Cup as Javier Mascherano, who played his twentieth and final game in the Argentina shirt; Japanese Keisuke Honda, who disputed his eleventh and last encounter with the Blue Samurai; Spanish Andres Iniesta, author of the decisive goal in the final of 2010, dressed for last time the colors of 'the Red' in his defeat in the round of 16 at hands of the host

in the penalty shootout. And Rafael Márquez, Mexican legend, became third player in history to participate in five editions of the World Cup.

In the case of Panama, it was historic, apart from being the debut in a World Cup, it was the last stage as selected in which we would see the figures of goalkeeper Jaime Penedo, defenders Felipe Baloy and Román Torres, midfielder Gabriel Gómez and the forwards Blas Pérez and Luis Tejada. The Panamanian fans who acted as ambassadors, let see the joy of the people and drew the attention of the world, especially after celebrating the first World Cup goal by defender Felipe Baloy, no matter how much the score was against us.



By now having the eyes of the world placed in our country, we are forced to improve, as there is an economic reward and opportunities for our players, like those of José Rodríguez and Ricardo Ávila, players of the KAA Gent of Belgium; who have attracted the attention of several clubs in Europe and South America. So the challenge of the technical director to replace Hernán "Bolillo" Gómez will have a big challenge, with the Qatar 2022 mission.

On the other hand, Russia had the opportunity to be known to be visited by thousands of fans with what received a large economic injection. Now leader of host country, Vladimir Putin said that the 12 World Cup stadiums should continue to be used primarily for football and not be transformed into centers for concerts and exhibitions. Of these only six were totally new and commissioned especially for the tournament, while the others were renewed or their construction was already planned.

"Ideally we have to make an effort so that each stadium has a team and each team has a stadium, otherwise it will not be a stadium, it will be a concert hall," added Vladimir Putin.

The Russian government wants to avoid what happened with the scenarios of South Africa 2010 and Brazil 2014 where they are abandoned and the majority demolished because they don't have enough money for their maintenance.

Russia was one of the revelations of this World Cup, where it reached the quarterfinals, achie-

ved its best result since the Soviet Union did the same in 1970. Sweden, for its part, was among the eight best selections on the planet by first time from the United States 1994.

And it is that the 2018 World Cup Russia still has a lot to tell. We have left a sea of emotions giving us an unexpected final in the match France vs Croatia, proclaiming France champion with a convincing 4 to 2, and taking the Cup for the second time in its history since 1998, where it was the host country.

It is necessary to emphasize that this world class appointment leaves lessons for all. We saw a Croatia, who had never been able to qualify, it was the first time that the Balkan team came to that instance of the tournament. And even despite the result, there was a great celebration in the country to receive them, proud of how far they came and having the Best Player of the Tournament, Luka Modric, who won the Golden Ball. This leaves Croatia on the world map, being able to be a new favorite for Qatar 2022.

France is not far behind, this being its second Cup since 1998, it was the object of a great celebration in its country. And not only the work was highlighted as a team in the field that took them so far, but also the individual of their talented players, such as Kylian Mbappe, who won the Best Young Player of the Tournament with only 19 years, being only exceeded by Pelé in Sweden 1958, who was 17 years old when he won this award. This great player indicated that he will donate his prize to an association that he sponsors and that is dedicated to promoting sports among children with different abilities.



Another revelation, were the Belgian Red Devils, who obtained the best result of their history when finishing in third position and improved the fourth place of Mexico 1986, being another surprise team of the tournament. The combined of Roberto Martinez, who was crowned also as the most goalscorer of the tournament (16), was just one of the three sets - along with Uruguay and Croatia - which made full points in the group stage. The Belgians prevailed in this tournament reaching the semifinals with England.

On the other hand, Peru, despite not going to the second round, made a good representation and measured with great teams, led by Ricardo Gareca, which brought happiness and enthusiasm to his country and put in the eyes of the world skills of its players. Even Gareca doesn't decide if he will continue directing this selection despite the fact that Peru is still in love with the Tigre and they want its continuity.

The Colombian brothers also exhibited again their football quality to reach the eighth and be eliminated in penalties against England. These players were warriors and despite having factors against, they gave everything on the field and their fans felt it and there was nothing but celebration. Like the Mexican national team, when only their chants were heard, they were defeated in the round of 16 by the Penta Champion, Brazil.

But selections such as Germany, which was eliminated in the group stage for the first time in its history, disappointed their fans. After the tournament the historic doctor of the Germany National Team, Hans-Wilhelm Müller-Wohlfahrt, announced that he left the post after 22 years with the 'Mannschaft', generating the first resignation in the team. The mission of the German coach, Joachim Löw, in the first instance, after the disappointment of Russia, is Eurocopa 2020, since it has the contract extended until 2022.

The ideal eleven

The fans have stood out in the ideal eleven, absence of players like Kanté, Varane, De Bruyne, Lukaku, Pogba and Lucas. Finally, one of the absences that has most surprised the World Cup fans has been that of Belgium goalkeeper Courtois, named as the best goalkeeper of the World Cup.

What do you think?

However, the names of Modric and Mbappé seem to have convinced the majority, since both were awarded at the closing ceremony as the best player in the World Cup and the best young player in the World Cup respectively.





Disney Cup

Don't miss the opportunity to congratulate the boys of Altos de Los Lagos, Sub 15, who were crowned champions of this category in the Disney Cup, as well as IPT Don Bosco boys who were in second place, after falling in penalties in the Sub 19 category. On the other hand, the IPT San Miguelito Sub 16 was champion in its category.



Central American and Caribbean Games 2018

The Games are held from July 19 to August 3 in Barranquilla, Colombia. Panama will participate in this regional event in 23 sports disciplines, with 113 athletes.

At the moment the Panamanian Carolena Cartens obtains the silver medal in Taekwondo and Edgar Crespo with gold in Swimming with the 50 meters chest male branch. *L&E*





Gabriela Melgar - Assistant
gabriela.melgar@rbc.com.pa

RUSSIA 2018, THE WORLD CUP OF THE THOUSAND EMOTIONS

The curtain fell on Russia 2018, the twenty-first edition of the FIFA World Cup ended, now a new work called Qatar 2022 is being prepared, a new cycle is started and the teams make a clean slate from now on.

Undoubtedly, this World Cup will be marked in history, first of all it was demonstrated that having been excellent in a previous World Cup, is not synonymous with the next one will be the same, as it is the case of Germany, World Cup champion of Brazil 2014, being eliminated surprisingly in the group stage, in the same way it happened with those players considered the best in the world at the moment, as is the case of Cristiano Ronaldo, of Portugal and Lionel Messi, of Argentina, both are soccer stars in their respective leagues, but they didn't shine in the way we are used to seeing them during their passage through Russia, with

their teams eliminated during the last eight. In this version, French national team, led by Didier Deschamps, won the World Cup after defeating the Croatian team 4-2, who took second place, after coming from three consecutive games in which they were to overtime, two of them defined in penalties round, finally we have Belgium, who after defeating England 2 to 0 are left with the third place.

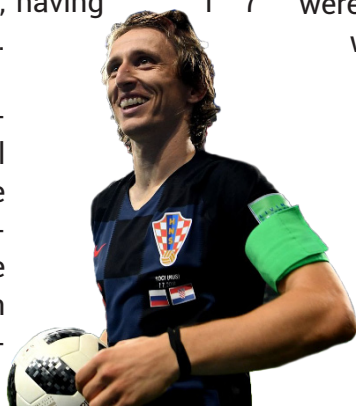
It should be noted that, after the victory of his team, Deschamps marked his own record in the history of the soccer world cup, entering the select group of those who have been champions with their teams being players and then technical directors, with their participation in the 1998 World Cup in France, 20 years later, the cup again rises, this time leading the team. This equates Mario Zagallo of Brazil and Franz Beckenbauer of Germany.



If we are talking about proper names, we can start with the name of Kylian Mbappé, player of the French national team, who, at the age of 19, was awarded as the young player of this World Cup. Likewise, as a curious fact, he became the second youngest

footballer to score two goals in a World Cup match and also to be the youngest to score in a final, being the first Pelé, having 17 years in the 1958 World Cup.

The Croatian Luka Modric, took the Golden Ball to the best player in the world, followed by the Belgian Eden Hazard, with the silver ball and Frenchman Antoine Griezmann, received the bronze ball. Similarly, Harry Kane of the English team, was awarded as the world's top scorer, while Belgium goalkeeper Thibaut Courtois, won the gold glove as best goalkeeper.



The Spanish team despite saying goodbye to the cup during the round of 16, took the recognition to fair play. The passage of the selection of Panama for Russia also left data for the history, first of all, it was our first participation in a world cup, we were also the most veteran team because of the age range of our players, Gabriel "Gavilán" Gómez, during the match against Belgium, achieved the record of completing 100% of their passes, thus becoming the third player with the most number of passes won in a world cup since 1966. On the other hand, Felipe Ba-



loy, will remain for history as the player that marked our first goal in a world cup, this was against the English team and thanks to this goal, 37-year-old Ba-



loy, becomes the fourth oldest player to score in the history of the soccer world cup.

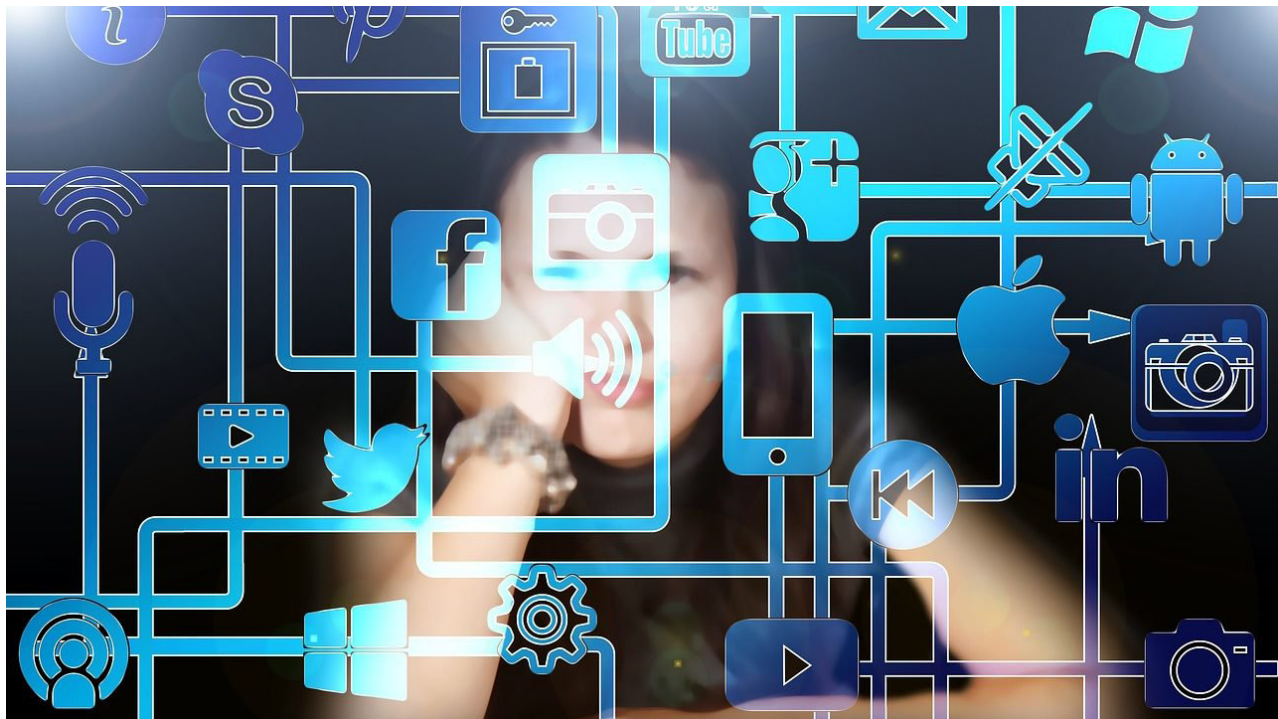
The Panamanian fans who were in Russia, proved to be also one of the liveliest, calling attention not only to the other people who were in that country, but also to the media, which highlighted that contagious joy that we characterized as Panamanians. Although our selection only reached the group stage, it is necessary to highlight the efforts of both players and the coaching staff, to face in this world cup, just as you start writing a new chapter in the football book national, it is clear that more support is needed in our leagues, especially the LPF and the LNA, these are showcases where the players are known, in the same way they are motivation for many who seek to emerge through sport, there is still much We have a long way to go and it is necessary to start focusing on Qatar 2022. Four years of preparation and dedication have come, in the hope of seeing our team again in a World Cup.

Once this World Cup is over, it is demonstrated that soccer is and always will be, a sport that unites crowds, paralyzes cities, reunites family, friends, co-workers, in short, regardless of the team that is being supported, passion is the same. We have only to remember the good times left by Russia 2018 and move forward with a view to Qatar 2022, which already promises to be a world full of curiosities, beginning with which the wait will be long, since it will be between November and December, since , between June and July, it is a time when the heat is quite unbearable.

It closes a story called Russia 2018, definitely the world of a **THOUSAND EMOTIONS**.

L&E

FASHION



Social Networks: Fashion, trend or dependence

Gabriela Melgar / Donna Ballesterro -
Assistants
gabriela.melgar@rbc.com.pa
donna.ballesterro@rbc.com.pa

With the emergence of smartphones, there was a tendency to spend more time using social networks, either because of simple fashion or because they allow us to follow the lives of other people and show our own in the same way, triggering thus, some type of addiction or dependence to these, which represents a risk both for health, and for our ability to relate to people who are in our environment.

The numbers are not limited only to the number of users of social networks but also to the time we spend online, a normal user occu-

pies six hours a day, this represents a third of the time we stay awake. Uncontrolled overuse of social networks has its consequences, the problem appears when reality clouds, when you lose the notion of what social networks mean, and they begin to manage us.

Similarly, social networks have around the world, millions of young users, among children and adolescents, for whom it is more difficult to differentiate between a simple tendency to use these networks, an addiction itself, there are studies that show that

the exposure for long periods of time to them, can trigger problems such as lack of concentration in children, for adolescents instead, it is proven that social networks can lead to depression, anxiety and even incite suicide.

Technology is an addictive avalanche, as can tobacco, alcohol and gambling. With time the industry noticed that none of this was regulated, reason why it went away becoming more and more regulated and controlled; to the point that the industries provide education and help to treat them.

In the same way the technology industry is warning the problems caused to consumers. More and more parents are concerned about the time their children spend and even theirs to the use of technological devices and the access they provide to the internet. The investors of these big technology companies worldwide try to tackle the problem, they know that they have a determining role and that they can pay special attention to future generations.

The three main providers of these services have taken measures so that users can regulate the

time they spend online. For example: Apple, in its new version of iOS has daily and weekly activity reports that show how much time iPhone users spend in each application. GOOGLE, has an Android application dashboard, an image shows the use of a person's phone including the time spent on the phone, applications and the frequency of notifications. Facebook and Instagram applications will offer usage statistics, which reveal how many minutes users spend on them each week. All this in order to minimize the possible damage caused by the use of digital tools and the dependence they create on users.

We must learn to identify how much importance we give to the use of social networks in our daily lives, to prevent this from becoming a dependency or even worse, an addiction, we have in our hands the tools to avoid reaching these extremes.

If we use them with intelligence and moderation, they work for what they were created for. If the relationship established is that of service, information, education, entertainment, they are a useful tool in our lives. *L&E*



Cultural Capsule

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

THEATER:



- ABA Theater: The Knights Prefer Them Evil until August 5th.
- ABA Theater: A Toy Adventure until September 9.
- La Estación Theater: The neighbors up until August 26.
- La Estación Theater: Robin Hood and Princess Marion until August 19.
- La Plaza Theater: Fufo Presidente and 2 more on August 8 and 22.
- La Plaza Theater: The last five years from August 30 to September 15.
- Balboa Theater: José the dreamer and his multicolored tunic from August 7 to 12.
- Balboa Theater: Shrek El Musical on August 18 and 19.
- El Ángel Theater: The Princess of the Sea until September 2.
- El Ángel Theater: Rent a Husband that is Faithful.
- El Ángel Theater: Three Stories, a world from August 1 to 4.
- Teatro En Circulo: My domestic life from August 7 to 16.
- GECU / U Panama Study: The Solteronas from August 14 to 19.
- Theater Guild of Ancon: Heathers "The Musical" from August 2 to 18.

FESTIVALS AND FAIRS:



- Wine & Beer Festival 2018 Panama, August 2 and 3 at the Megapolis Convention Center.
- Great Bingo of the Association of Panamanian Spanish Ladies, on Monday, August 27 in the Hall of the Union Club Pearls.
- 10th Panama City Ink Fest at Riu Plaza Hotel from August 10 to 11.
- International Book Fair from August 22 to 26 ATLAPA.
- Fair of the Flower of Espiritu Santo - Las Minas de Herrera from August 31 to September 3.
- Convivienda 2018, from August 3 to 5 at ATLAPA.
- Percussion Festival of Central America, will be held on August 10 and 11 this year dedicated to the Drum Congo/Casco Antiguo.
- Bufalo Festival and Fair will take place from August 8 to 12 in Coclesito de Omar Torrijos Herrera.
- National Festival of Manito Ocueño, from August 16 to 19 in Ocú, Province of Herrera.
- Quinceañeras Expo Panama from August 11 to 12 at Riu Panama Hotel.
- Sushi Fest 2018 from August 16 to 18 at the Megapolis-Hard Rock.
- Brick Fest Panama on August 18-19 at the City of Knowledge in Clayton.
- Susie Thayer Family Walk - August 26th Coastal Strip.



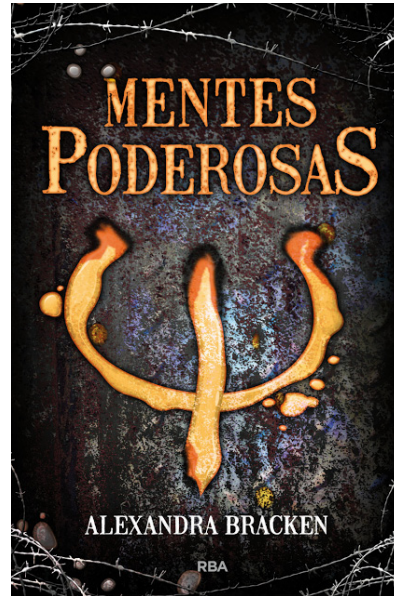
CONCERTS AND PRESENTATIONS:

- Marc Anthony in Concert on August 7 at the Estadio Rommel Fernández
- Maluma Fame Tour 360 Arena Roberto Duran on August 23.
- Dream World at the Teatro la Huaca de Atlapa on August 5.
- Flamenco show at Villa Agustina-Casco Viejo on August 16.
- Full Moon of Drums from August 24 to 26 Tour in Chiriquí and Puerto Armuelles.
- Paradise 507, August 17 and 18 in Punta Barco.
- III International Flute Encounter from August 15 to 19 at the Faculty of Fine Arts of the University of Panama.
- Recital of Flutes at the Faculty of Fine Arts of the University of Panama, room F-112.
- 20th Anniversary of Radio Maria on August 17 at the Marriott Hotel, donation \$ 25.00.
- Typical Gala "A lo Panamaniano" on August 25 at the Amador Convention Center.
- Great dance night by Sammy and Sandra Sandoval on August 9 at the Hotel Panama.
- Omar Alfanno among friends on August 9th in the Hall of the Union Club Pearls.
- Olga Tañon y Punto on August 23 at the Amador Convention Center.
- Urban Dance "Snow White, the Witch and the Seven Dwarfs" on August 7 at the Dome of the University of Panama.
- Rumba towards the 500, organized by the Municipality of Panama on August 18 in the Plaza 5 de Mayo.



CINE

- August 2: Powerful Minds.
- August 2: Christopher Robin an unforgettable reunion.
- August 17: Mama Mia, let's go again.
- August 17: The Justicier 2.



MUSEUM

- Museum of Contemporary Art (MAC): Meet the work of the teacher Cruz-Diez visiting "Barter - A connection in relation" until August 19.
- Shows "Nomad Art III" from August 9 to 11 at the former Clayton Police Station.



EXPO, SEMINARS AND CONGRESSES:

- Logos Hope, the floating bookstore from July 31 to August 26 at the Port of Rodman / Cocolí.
- Leader, Innova, Emprende, MBA international event, Panama Marriot Hotel on August 27.
- Leadership of Excellence, Conference-Workshop, to mobilize your people in the style of The Walt Disney Way at the Riu Plaza Hotel on August 23.
- "Innovation does not have sex: Women who think, do and reinvent innovation in Panama" on August 21 at the Convention Center of the City of Knowledge in Clayton.
- Panamanian Conference of Users ESRI 2018 to be held on August 16 and 17 at the City of Knowledge Conferences Center in Clayton
- Applied Neuro-Leadership to Organizations from August 4 to 5 at the Convention Center, Ciudad del Saber Panama.
- Forum "Panama City, 500 years" with Diana Uribe on August 4 at the Athenaeum of the City of Knowledge.
- "Essential guidelines for writing a story" on 4, 11 and 25 of August at the Simón Bolívar Library.
- XXVII Auction of Excellence for the benefit of the San Felipe Neri Foundation on August 7 at the Marriot Hotel.
- 7th week of CSR - Superse: "The Vision of a Shared Future" from August 7 to 9 at the Sheraton Grand Panama.
- II Mariano International Congress on August 25 and 26 at the Atlapa Convention Center.



del Saber
tiene el agrado de invitarle a la presentación de la iniciativa:

“Comunidad de Mujeres de Ciudad del Saber”

Durante el evento se llevará a cabo el panel:
“La innovación no tiene sexo: Mujeres que piensan, hacen y reinventan la innovación en Panamá”

y el concurso:
“Mujer Emprendedora Ciudad del Saber Canal de Empresarias”

Martes 21 de agosto
Centro de Convenciones - Ciudad del Saber
de 9:00 a.m. a 12:00 m.

ACTIVITIES AND CELEBRATIONS:

- August 6 - Atomic bomb in Hiroshima
- August 9 - Lawyer's Day
- August 9 - International Day of the Indigenous Peoples
- August 9 - Atomic bomb in Nagasaki
- August 12 - International Youth Day
- August 15 - Assumption of the Virgin
- August 15 - Foundation of Old Panama
- August 15 - Inauguration of the Panama Canal
- August 19 - International Day of Photography
- August 24 - Ganesha Chaturthi
- August 28 - Cattleman's Day
- August 28 - San Agustín
- August 29 - International Day against Nuclear Tests
- August 30 - The Archdiocesan Campaign ends. *L&E*

Alianzas alrededor del Mundo

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

Guevara & Gutiérrez S. C. Servicios Legales- BOLIVIA

Machado Associados Advogados e Consultores- BRASIL

DSN Consultants Inc- CANADÁ

Lewin & Wills Abogados- COLOMBIA

Rivera, Bolívar y Castañedas- PANAMÁ

Espinosa & Asociados- CHILE

Lawnetworker S.A. Asesores Legales- ECUADOR

Peter Byrne & Associates- ESTADOS UNIDOS

Machado Associados Advogados e Consultores- ESTADOS UNIDOS

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

Estudio Rubio Leguía Normand & Asociados- PERU

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

Pellerano & Herrera- REPÚBLICA DOMINICANA

Alvarado & Asociados- NICARAGUA

Torres, Plaz & Araujo- VENEZUELA

Facio & Cañas- COSTA RICA

