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SUMMARY

The 2007-2013 country strategy paper is based on Panama's development agenda, reflects the lessons learned from the implementation of the 2002-2006 country strategy and takes on board the priorities of the Guadalajara and Vienna Summits.

Panama is a middle-income country with a relatively high Human Development Index ranking. It is, however, the country with the greatest inequality in its region. Panama's highly specialised economy is founded on services, the canal and the shipping register. Despite its dynamic economy, Panama suffers serious structural problems, chiefly in rural areas where the inhabitants, in particular indigenous communities, are barely integrated into the country's political and economic life. In such regions, two thirds of households live below the poverty line, 38.5% of them in extreme poverty. Indigenous peoples represent a tenth of Panama's population.

At a time when the Central American countries are committing themselves to further regional integration with a view to negotiating an association agreement with the European Union, it is important to support Panama's efforts in this area.

The country strategy paper has been drawn up after consulting the authorities and non-state actors concerned, the Member States and the international community. The following two focal sectors are proposed for the period 2007-2013:

- Improving social cohesion to help modernise institutions, focusing on social policies and services in order to help reduce poverty and social/territorial inequality and addressing the needs of the most vulnerable groups. The programme could include support for the reform of public finances under way in the country, which will lead to increased social provision, especially in disadvantaged rural areas.
- It could also include support for regional integration with the Central American countries with a view to sustaining its efforts to develop policies in line with those of the rest of the region.

Particular attention will be given to sound spending, so as to ensure that public monies are properly managed.

An indicative allocation of € 38 million has been earmarked in the period 2007-2013 under the financing instrument for development. These resources will be supplemented by thematic programmes and by the Central American and Latin American regional programmes.

Programmes will be carried out according to progress with the 2002-2006 cooperation programme.

1. OBJECTIVES AND PRINCIPLES OF EUROPEAN COMMISSION COOPERATION WITH PANAMA

1.1 OVERALL OBJECTIVES

Under Article 177 of the Treaty, the objective of European development policy is promotion of the sustainable economic and social development of the developing countries, gradual integration of the developing countries into the world economy and the campaign against poverty. In November 2005, in accordance with Article 177 of the Treaty, the Council and the European Commission adopted a Joint Statement on the European Union's development policy (the "European consensus") which sets out a joint vision of development policy shared by the EU and its Member States.

The Statement establishes that the reduction and, if possible, eradication of poverty so as to foster sustainable development, in particular with reference to the Millennium Development Goals, are the main objective of cooperation with third countries, along with democracy, the rule of law and respect for human rights. It stresses that partnership with the developing countries and promoting good governance, human rights and democracy are important if globalisation is to be more equitable. It reaffirms its commitment to promoting policy coherence for development. All policies likely to have an impact in developing countries must take account of the objectives of development cooperation and support development goals. Lastly, the Consensus emphasises the principle of the ownership of development strategies and programmes by partner countries and advocates more political dialogue and a greater role for civil society in development cooperation.

1.2 SPECIAL OBJECTIVES FOR LATIN AND CENTRAL AMERICA

Panama is eligible under the European Parliament and Council Regulation (EEC) No. 1905/2006 of 18 December 2006 establishing a financial instrument for development cooperation (DCI) which refers to article 179 of the Treaty Establishing the European Community.

In its Communication of December 2005 on "a stronger partnership between the European Union and Latin America", the Commission reaffirms the objective of the stronger partnership with the region as being to strengthen political dialogue, target cooperation on the policies, needs and characteristics of the beneficiary countries, and promote trade and investment. In 2006, the Fourth Summit in Vienna of the Heads of State of the Latin American, Caribbean and European Union countries reaffirmed commitment to strengthening biregional partnership and stressed multilateralism, regional integration and social cohesion as priorities for political dialogue and cooperation.

At regional level, relations between the EU and the six Central American republics have historically been framed by the San José Dialogue initiated in Costa Rica in 1984. Initially established to support the peace and democratisation process in the region, this is

the principal mechanism for political dialogue between the two regions. After being renewed in 1996 and 2002, the San José Dialogue was extended to encompass economic and social development.

The current framework for cooperation activities is the regional development cooperation framework agreement of 1993, which was signed by the six Central American countries and the European Commission and which entered into force in 1999. This “third generation” agreement covers a wide range of sectors; it established a Joint Committee to monitor implementation and subcommittees to discuss in detail the specific sectors included in the Agreement.

In December 2003, the EU and Central America signed a new political dialogue and cooperation agreement which put the San José dialogue on an institutional footing and extends cooperation to areas such as migration and the fight against terrorism. This Agreement also paves the way for a future association agreement, which has been the common strategic goal of both parties since the Guadalajara Summit.

At Guadalajara, the Heads of State and Government declared that an association agreement between the EU and Central America was a common strategic objective and welcomed both parties’ decision to initiate a process aimed at achieving such an agreement. A joint evaluation of the process of Central American economic integration has been started in preparation for negotiations.

At the Vienna Summit, the two regions decided in the light of the positive results of the joint evaluation to start negotiations with a view to concluding an association agreement including the establishment of a free trade area. On the same occasion, Central America confirmed its resolution to implement the decisions taken in March 2006 in Panama by the Heads of State of the region, to ratify the Central American Treaty on Investments and Services and to set up a legal mechanism to enforce compliance with regional economic law throughout the region. The parties concerned also welcomed Panama’s participation in this process, which will begin once the country has formally decided to engage in the process of Central American economic integration represented by the Central American Economic Integration Secretariat (SIECA).

1.3 BILATERAL OBJECTIVES

The bilateral objectives are consistent with the regional framework. The EU and Panama are major political and economic partners:

- Panama is an important partner for the European Union in terms of regional political dialogue and cooperation relations with a view to the consolidation of democracy and respect for human rights in the country and the region and the maintenance of social cohesion.

- As regards economic and trade relations, Panama's involvement in Central America's regional integration process and in preparing for future negotiations for a regional association agreement is a matter of strategic interest. The European Union and Panama share a common interest in developing convergent views in the fields of investment, public procurement and services, and good financial, fiscal and judicial governance.

2. SITUATION IN THE COUNTRY AND PRINCIPAL CHALLENGES

2.1 THE POLITICAL CONTEXT

Since the early 1990s Panama has undergone a process of political and institutional change aimed at stabilising democracy. The last elections were conducted democratically and consolidated political alternation in the exercise of power. Although the country has not - the invasion of 1989 apart - experienced the same conflicts as most countries of the region, it has not developed institutional mechanisms for social participation. There has been no long-term political will to tackle the country's main problems, in particular social inequality and low taxation.

Human rights are guaranteed by the Constitution and are generally respected. However, a number of problems continue to beset the justice system, among them prison conditions, the duration of preventive detention, corruption and the lack of judicial independence. In rural areas, there are also problems with child labour, marginalised indigenous communities and ethnic minorities and discrimination towards women (see Annex 4, gender profile, equality between the sexes).

In Panama, the nine Supreme Court judges are appointed by the President, after ratification by the National Assembly, for a period of 10 years. They then appoint High Court judges, who in their turn appoint local judges. This system of top-down appointments, which are not based on merit, is open to political influence and discredits the judicial system. At local level, the mayors appoint "corregidores" to handle less important civil cases: though not legal professionals, they possess wide-ranging powers to impose fines and prison sentences of up to a year.

Given the worrying state of the justice sector, reform and modernisation are a priority for Panama.

In 2005 the President introduced a "Pact for Justice", which has been signed by senior representatives of the executive, legislative and judicial powers and by the Defender of the People (Ombudsman). The Pact set up a State Commission, which has submitted proposals to reform the administration of justice. These proposals are grouped around five priorities: access to justice; reform of the criminal courts; structural reform of the judiciary; judicial reforms; and transparent accounting.

Recent reforms have reduced the time needed to obtain judgments and improved access to justice. Note that significant reforms in the field of preventive detention and complaint procedures have made it possible to eliminate many formalities, to increase protection for victims' rights, to appoint a competent judge to handle criminal cases and to regulate every stage of the judicial process. A "Mediation Centre" has also been set up to reduce the caseload of judges and respond better to public expectations.

The Social Security Fund, which was on the verge of bankruptcy, was reformed by Law No 17/2005, which, over the 2007-2015 period, will gradually raise the retirement age for women from 57 to 60 and for men from 62 to 65. At the same time contributions will rise from USD 180 to USD 300 a month by 2015.

The legal immunity granted by the Constitution prevents members of the National Assembly from being prosecuted for corruption. Public sentiment runs high when it comes to problems of corruption in the executive, legislature and judiciary. The subject was a key political issue in the last election campaign. In 2002 a law was approved to ensure transparency in the government's management of public affairs by creating a "Transparency Pole". Institutions take part in it via a mandatory Internet gateway granting citizens access to the relevant information. By the end of 2004 50 institutions were making information on public employees' pay available to the citizen. Reporting to the President, a National Transparency Council against Corruption has audited accounts and taken a number of measures, including cancelling diplomatic passports of convenience and prosecuting unscrupulous officials. After taking up office, the new government immediately repealed a decree from the past preventing compliance with the Transparency Law.

Panama, which is considered a hub for drug traffickers, is a key transit area for drugs from South America owing to its container ports, the Pan-American Highway, its international airport, the many uncontrolled airfields, and long stretches of unsupervised coastline on the Atlantic and Pacific Oceans. The highly lucrative drug trade has seriously increased official corruption and undermined Panama's criminal justice system.

After many years on the OECD-FATF blacklist of countries not involved in efforts to curb money laundering related to drugs, Panama has recently taken more pro-active cooperation measures by following the OECD guidelines.

2.2 SOCIAL SITUATION

With three million inhabitants, the country has more than a million poor, including 508 000 in extreme poverty. This situation is also a source of potential tension within society, widespread insecurity and major social and political conflict.

People are not poor because the country lacks resources but because those resources are unevenly distributed. The continuing high levels of poverty in a country with a good ranking in the UN's Human Development Index are attributable to the deep-seated inequalities in its social and economic structure and to an organisation of the country that favours a specific region and a specific section of the population. While wealth is concentrated in the urban region of Panama City and the Canal Zone, the rural economy is in decline. In 2003 61.2% of the national wealth went to the richest 20% of the population and only 1.9% to the poorest 20%. Indigenous peoples make up a tenth of the population (Kuna, Ngöbe, Buglé, Naso or Teribe, Bribri, Emberá and Wounann) and 36.1% live in extreme poverty.

National figures for 2003 show that more than two thirds of the rural population (and 36.8% of the total population) live below the poverty line and almost 17% in extreme poverty. This poverty is linked to shaky access to land and productive resources, poor access to property and poor access to basic social services. The country's performance on the Millennium Development Goals has been mixed: it has had great difficulty achieving the goal of halving poverty, providing access to primary education, providing indigenous peoples with access to drinking water, and reducing HIV/AIDS, malaria and tuberculosis (see Annex 3).

In spite specific institutions have been created to address gender equality (Annex 4) more efforts need to be devoted to the problem as discrimination persists in all areas of the society including in the limited access to policy making decision. Another preoccupation is the lack of local social services dedicated to women.

The phenomenon of migration in Panama differs from that in other Central American countries. There are fewer immigrants; they accounted for less than 3% of the population in 2000 (approximately 82 000). 80% of immigrants come from South America (Colombia), the Caribbean (the Dominican Republic) and Asia (China, Hong Kong and Taiwan). In 2000, 16% were of Central American origin, with a majority from Costa Rica and Nicaragua. Remittances from Panamanian emigrants (most of whom migrate to the United States) play a negligible role in the country's economy. In 2004 agriculture accounted for only 7% of the country's GDP but a quarter of all jobs, 50% of jobs in rural areas, 25% of the rural population's income, 40% of the income of the poorest households and half the income of households living in extreme poverty. Given the current levels of productivity, the agricultural sector's capacity to promote significant growth in the rural economy is limited.

In 2003 the tax burden accounted for 11.6% of GDP and social contributions for 4.4%. Social spending rose from 18.6% of GDP to 25.5% between 1990 and 2000 but, if the poor results are anything to go by, remains ineffective.

Government spending, servicing the debt (70% of GDP) and transfers currently exceed government revenue. In 2004 the structural tax deficit was over USD 700 million (5% of GDP if revenue from the Canal is excluded).

The traditional method of covering the deficit without changing the structure of taxation has been to borrow more, a practice that has its limits.

Panama currently has an extension of a "stand-by arrangement" with the International Monetary Fund, initially granted from December 1997 to June 2000; this arrangement totals SDR 20 billion (SDR = Special Drawing Rights). The Fund has stressed that tax reform and overhauling the social security system must be regarded as a political priority.

The statistics of the Ministry of Economic Affairs and Finance show government grants to be running at almost USD 200 million a year while businesses are paying less than USD 180 million in tax. The grants go to social programmes targeted on specific groups, in particular indigenous communities and the disabled.

According to the government, fraud and tax evasion are rampant, and there are no technical or legal instruments for prosecuting and punishing the offenders. Nor is there any study that would serve to gauge the extent of the problem and so combat it, though the new act does lay the foundations for addressing these issues. The country has also undertaken to enforce standards for transparency and the effective exchange of information in the context of the OECD World Tax Forum..

The system of progressive taxation also needs to be improved since, according to the Ministry of Economic Affairs and Finance, the tax burden on the lowest-income families is four times heavier than on high-income families.

The government therefore initiated a reform programme with the Law of 2 February 2005, which represents a milestone in the history of the country. Its objective is to increase government revenue, overhaul public spending and target it more effectively on the poorest members of society. Tackling tax fraud and corruption are also priorities.

With the exception of the sectors of health, education and security, the number of public-sector employees has been capped at the level of the end of 1999. From 2006, the percentage increase in current expenditure, minus interest payments and other taxes, must not exceed the previous year's increase in current revenue. Between 2005 and the end of 2007 government spending will be cut by 30% (2005), 20% (2006) and 10% (2007) of the amount represented by the vacant posts resulting from the departure or retirement of public-sector staff.

The tax reform involves a flat-rate transaction tax, a corporation tax and a review of the tax system in the Colón free zone, where companies are currently exempt from taxation. A set of measures have been drawn up to improve the system of income tax returns by rendering the origin of funds transparent and abolishing exemptions. The scope for offsetting mortgage interest payments and donations to non-profit institutions against tax has now been reduced. Lastly, penalties have become significantly heavier.

The approval of this law constitutes a milestone in the country's history. Its implementation will enable the state to raise more funds to finance its reforms as part of a policy to render government more transparent.

Much remains to be done, especially in the absence of ambitious programme to transfer powers from the state to local authorities along with the funding they need to improve the effectiveness of social services and citizens' participation at grassroots level.

2.3 STATE OF THE ENVIRONMENT

Panama has considerable biological diversity in terms both of fauna and flora, including endemic species. The quality of the environment is, however, deteriorating: problems include deforestation, the number of endangered species, water and air pollution, the management of solid and toxic waste and contamination by conventional and chemical weapons. The causes of environmental pollution include demographic pressure and the

concentration of economic activities in the drainage basins of the Pacific region, poverty, the lack of waste control, poor sewage and rainwater management and treatment systems, transport and industrial pollution in Panama City and the Colón free zone, and agricultural activities that destroy natural habitats. Panama, like the rest of Central America, is extremely vulnerable to the impact of climate change. These problems affect the poor most (see Annex 5).

The Canal has a considerable impact both on the entire forest and aquatic ecosystem and on the population. Impact assessments have already been carried out for the project to extend the Canal. The impact of such an extension would be felt throughout the country: it would demand just infrastructure, materials and natural resources. The impact will vary according to the variant chosen.

A body of environmental legislation relating to water has been adopted over the last few years. Environmental impact studies have been carried out with a view to setting up environmental institutions. The government has decentralised and devolved the management and exploitation of forests. In particular, it has introduced co-management of protected areas with indigenous communities in a number of conservation areas. Environmental protection measures have yet to be properly applied and the system of environmental law and institutions remains weak. The country also participates in a number of initiatives designed to promote regional integration in this field, including the Central American Sustainable Development Alliance (Alianza Centroamericana de Desarrollo Sostenible), the Central American Environment and Development Commission (CCAD) and the Central American Interparliamentary Commission on the Environment and Development (CICAD).

Panama does not comply strictly with international environmental law governing shipping and fishing (Annex 6: inspections under the Paris Memorandum). Furthermore, Panamanian vessels have in the past fished in natural resource conservation areas. There is a need to improve dialogue with Panama, including in international organisations, to better protect the environment and natural resources in the context of fishing and shipping.

2.4 THE ECONOMY, INVESTMENT AND TRADE

Alongside Costa Rica, Panama is the most industrialised country in Central America and, with a per capita GDP of USD 4 050, has the region's highest economic and social indicators. After a period of slow growth (less than 2%) owing to low international demand and a weak manufacturing sector, economic growth has picked up since 2002 and is now running at 5-6%. Increasing international pressure has forced Panama to tighten control of its financial sector to avoid figuring on international money-laundering blacklists.

The country's economic development is closely tied to the Canal, which was transferred to the Panamanian government at the end of 1999, the service sector, the Colón free zone and the International Banking Centre, and, last but not least, close relations with the United States.

With 21% of world tonnage - a share which is increasing all the time - Panama is the world's leading flag state. This figure shows how attractive the country's shipping register is to shipowners. Shipowners from European Union countries are major users (Annex 6), sometimes to the detriment of the budgets of the countries concerned.

Panama continues to be an attractive destination for major foreign investments. This is largely attributable to the quality of its infrastructure and to the Canal. The bulk of investment for improving port infrastructure comes from Asia (Taiwan and Hong Kong). Major European investments include Spanish investment in tourism, the purchase of a majority stake in the telephone system by the UK's Cable and Wireless and the purchase of BellSouth by Spain's Telefónica. The United Kingdom, France and Germany are looking to develop their investments in the country.

In 2004 Panama attracted over USD 500 million in foreign direct investment from the EU, more than any other Central American country. Investment prospects include a project to extend the Interoceanic Highway, an investment estimated at over USD 5.5 billion, in which there is considerable European involvement.

Trade policy

Until 1997 Panama had a completely closed trade policy, but accession to the WTO and the Association of Caribbean States has seen the country pursue a policy of greater openness and access to new markets to anchor its position in the process of trade globalisation. At the same time, while wanting to negotiate free-trade agreements, Panama has maintained a conservative approach towards neighbouring countries and few agreements have been concluded.

Panama has signed preferential trade agreements with El Salvador and the Dominican Republic and partial trade agreements with Colombia and Mexico. Bilateral investment treaties have also been concluded with the United States, France, the United Kingdom, Germany, Spain, Uruguay and Cuba; such agreements are also being negotiated with another 10 or so countries.

So far Panama has signed five free-trade agreements, with El Salvador, Taiwan, Singapore, Chile and the United States. Negotiations are under way with Mexico and , the other Central American countries. Panama has also shown an interest in negotiations with Trinidad and Tobago, the Dominican Republic and Cuba, and with the European Union.

Panama is one of 34 countries involved in the talks on a Free Trade Area of the Americas (FTAA) and has offered to host the FTAA's headquarters.

Foreign trade (Annex 2)

The European Union accounted for 25.3% of Panama's exports in 2004, second only to the United States (49%) and ahead of Central America (10.4%). The EU was the fourth biggest source of Panama's imports in 2004 (5.2%), behind the United States (30%), Central America (9%) and Asia (11%). The main product exported to the EU is bananas

(48.71% of exports), while the main imports from the EU are ships and shipping equipment (50% of imports from the EU).

Panama's exports are eligible for the United States' Caribbean Basin Initiative Agreement (CBI) and the European Union's GSP.

Productive sectors

The structure of Panama's economy differs from that of its neighbours because of the Canal. Services (banks, insurance, shipping companies) account for 76% of GDP, industry for 16.5% and agriculture for 7.4%. Manufacturing industry's share of the economy is low and, in regional terms, the agricultural sector is not competitive. Unlike neighbouring Costa Rica, Panama is not a traditional tourist destination, but the sector is developing.

The Canal contributes about USD 300 million a year to the budget and the shipping register about USD 90 million.

2.5 REGIONAL AND GLOBAL INTEGRATION

With historic ties to the Andean Bloc, located to the south of Central America, near the United States, Panama has until now hesitated to integrate with a specific group, preferring to develop contacts with a number of groups while maintaining good relations with its Central American neighbours.

In June 2005 it officially joined the G3 (with Mexico and Colombia) because it was particularly keen to belong to this group of oil and gas producers in order to negotiate better import prices. Alignment with Mercosur is another of its trade priorities. The country has been invited as an observer to the Cuzco Summit, which is part of the South American integration process launched by Brazil. Panama is also involved in the San José Dialogue and the Rio Group, and it is a member of the Parlacen (Central American Parliament) but not of the Central American Economic Integration Secretariat (SIECA).

Independently of the regional integration process, the government is interested in concluding an association agreement with the European Union. In 2005 and 2006 (the Heads of State of the Central American Economic Integration Secretariat issued a statement on 9 March 2006), rapprochement with the rest of Central America took place with a view to making progress towards regional integration, including the negotiation of free trade agreements with Panama's neighbours, progress towards customs unity and taking part in future negotiations between the region and the European Union in the context of an association agreement. The Panamanian government has informed SIECA of its desire to conclude free-trade agreements with the rest of Central America and to strengthen political and economic ties. A study is under way to identify the country's options in the matter of regional integration; the government's decision will be informed by a national debate.

The theme of regional integration is a priority after the Vienna Summit, at which the conditions for regional integration were clearly enumerated with a view to negotiating a free trade agreement between the European Union and the countries of Central America.

The main challenges facing Panama

Panama's service-oriented economy, linked to the Canal, the Colón free zone and the international financing sector, and the decline in agriculture have led to an unusually uneven distribution of wealth; this accounts for the poverty levels found in rural areas of the country. Moreover, though these sectors contribute heavily to GDP, they generate comparatively few jobs. At the time the government decided to extend the Canal, which will generate considerable investments and growth, the challenge for Panama is to dedicate those benefits to a sustainable and equitable development and to favour a fair redistribution of wealth. It should in particular prioritise the development of the private sector in rural areas, improve infrastructure and social services and provide poor people, especially indigenous communities, with greater access to these services. Modernising the public sector should remain on the agenda, especially in the areas of taxation and meeting international commitments in this area, as well as spreading the burden more equitably. The government should adopt voluntary measures for reducing corruption, strengthening decentralisation and reforming the justice system, and, in the customs field, facilitating and securing trade and adopting international standards such as those of the World Customs Authority

The environmental challenge facing Panama is to implement policies for the management of forest, coastal and marine resources, including the Canal catchment basin and the interoceanic region that houses 50% of the population and accounts for over 75% of GDP.

Lastly, Panama must strive to improve relations with its Central American neighbours in the framework of the regional integration process.

3. PANAMA'S NATIONAL AGENDA

The government of President Torrijos, whose term of office runs from 2004 to 2009, has drawn up a "Strategic Vision for Economic Development and Employment to 2009" with a number of headings:

- "Sustainable human development" is based on a set of policies to combat poverty and all forms of exclusion: the target groups are indigenous communities, women, young people and the disabled, and there is a will to involve civil society. Culture, health, education and technology are intervention sectors to spur development.
- "Economic development with a human face" is intended to reinforce the activities of the Interoceanic region (trade, ports, financial sector, inter alia) and other job-creating activities, including tourism, fishing and small and medium-sized enterprises.

- The objective “Basic services and infrastructure” places the emphasis on access to public services, cleaning up pollution zones such as Panama Bay and improving public roads and housing.
- “Reform of the State” covers reforming taxation, modernising and decentralising public services, reforming the organisation of justice and tackling corruption.

The government is to be applauded for its tax reforms, its will to combat corruption and money laundering, the headway made in reforming the justice system and the efforts to resolve the crisis in the pensions and social security systems. Its programme also includes in-depth reform of the state, based on modernising and decentralising its functions and strengthening local authorities. The legislature has already taken the first steps by approving constitutional reforms that extend the powers of local authorities and reinforce their autonomy. These efforts must, of course, be sustained in the long term and backed up by a national debate on poverty and exclusion. Improvements in indicators, especially social indicators, should show whether these efforts have had any impact on today’s poor performance.

The Canal extension project, officially launched in 2006 and confirmed by referendum, represents a major challenge to the country in terms of investment and economic, social and environmental impact.

The government is involved in a number of processes aimed at concluding free trade agreements and has announced its intention to take part in regional integration efforts with Central America; this undertaking has yet to be confirmed, and the practical arrangements have yet to be defined.

4. ASSESSMENT OF COOPERATION, COORDINATION AND CONSISTENCY

4.1 EUROPEAN COMMISSION COOPERATION: ASSESSMENT OF THE 2002-2006 PERIOD AND THE LESSONS OF THE PAST (ANNEXES 9 AND 12)

For twenty years EU cooperation with Panama has been broad in scope, which has promoted its visibility. Action on human rights has helped strengthen institutions and consolidate democracy. One key sector has been the management of the Canal, which has been backed by European Community aid.

In the 1990s the Commission granted about EUR 39 million for 37 projects in Panama, including EUR 33 million for financial and technical assistance and EUR 5 million for economic cooperation and human rights projects.

Panama is also eligible for regional cooperation programmes (ALFA, AL-INVEST, @lis, etc.) and for funding under budget lines for fields including the environment and NGOs.

Its participation remains limited, however, with just one recent NGO project in the field of health and little involvement in regional programmes (see list in Annex 12).

The memorandum signed between the European Commission and the Government of the Republic of Panama on the European Commission's cooperation strategy for the 2002-2006 period mentioned an indicative sum of EUR 24.3 million. This budget was allocated to three main cooperation sectors: economic development, social development and the institutional and democratic strengthening of the state, which resulted in the launch of the following three programmes:

- Reinforcement and institutional modernisation of the judiciary in the Republic of Panama. EUR 6,5 million
- Support for the "Panama International Technopark/City of Knowledge" project (EUR 7.7 million),
- New electrification technologies for education and health in marginal sectors (SOLEDUSA) EUR 8.5 million

These projects are in line with the priorities for relations with Panama: human rights via the justice sector, poverty reduction in rural areas, stimulation of investment. In practice, however, there have been delays in their implementation.

Experience has shown that Panama's administrative culture has had difficulty adapting swiftly to the new financial rules for cooperation adopted by the Commission in 2003, which assign the management of operations to a body appointed by the country and limit implementation periods. The most common obstacles are due to a number of factors: the lack of a dynamic management institution; a lack of the political will necessary to overcome the administrative and technical obstacles; the issue of matching funds; the lack of a "modus operandi" between the administration and the comptroller's office setting out clear rules on budget execution.

In this context, it is essential that the Panamanian authorities improve compliance with their commitments, and, in particular, that they follow procedures and introduce effective financial and administrative methods for cooperation with the European Union. The government has set up a think tank to develop proposals in 2006 to remedy the current shortcomings and draw up a new cooperation law.

The Commission has stepped up the dialogue with its Panamanian partners to find solutions to the delays observed.

A detailed description and list of projects are provided in Annex 9.

4.2 PROGRAMMES FUNDED BY EU MEMBER STATES AND OTHER DONORS: COORDINATION

Panama's income level means it does not receive much financing from donors. Nor is it a priority country for decentralised cooperation through the industrialised countries' NGOs; there are just a few projects targeting indigenous communities. Panama does, however, receive assistance from the International Fund for Agricultural Development (IFAD) for the poorest rural areas inhabited by indigenous communities.

No EU Member State regards Panama as a priority for aid, and Spain is alone in running a major bilateral cooperation programme in three sectors: economic and financial cooperation, scientific and technological cooperation and cultural cooperation (Annex 8). By the end of 2004 Germany funded two long term projects focusing on the sustainable development of the Cerro Hoya National Park and on the sustainable management of natural resources in the Ngobe region.

France carries out a few scientific and cultural activities and Germany provides technical assistance for environmental risk management. The European Investment Bank has financed a EUR 50 million operation to build the new Panama Canal Bridge.

The biggest donors are the Inter-American Development Bank (IDB) and the World Bank. Other donors include the United Nations, Japan (primarily through the Japan International Cooperation Agency (JICA)), Taiwan and the United States (USAID has allocated USD 49 million for 2004-2008).

Financial and technical cooperation for the period 2002-2005 was estimated at less than USD 200 million a year. Though there are no government statistics permitting a sectoral breakdown, aid is clearly focused on the rule of law and poverty alleviation. This sector covers reform of the health sector, basic education, land management, the agricultural sector and local and rural development, including the development of indigenous communities.

Rather than ad hoc cooperation between various programmes covering the same sectors, better coordination between aid agencies would help maximise the impact of cooperation and make programmes more sustainable. This would be particularly useful in a small country with highly specific and localised problems.

Under the authority of the President of the Republic and with the participation of the Ministries of Economic Affairs and Finance and Foreign Affairs, work has begun to set up a coordination structure that is consistent with the country's development plan and priorities and makes it possible to improve the management and implementation of cooperation programmes. The process will draw on the encouraging experience of cooperation agencies set up by other Latin American countries.

Such a structure would be more effective if it covered not just loans and grants but operations carried out by the government and by civil society bodies. The donors should also contribute to this discussion.

4.3 CONSISTENCY WITH EU POLICIES AND INSTRUMENTS

Examination shows the objectives of cooperation with Panama to be consistent with EU policies and instruments, in particular in the fields of trade, agriculture, the environment, health and consumer protection, the internal market, competition, research and the information society. The same applies to the EU priority of transparency and the exchange of information in the taxation field, including the EU's code of conduct on company taxation. There is also considerable complementarity and synergy between these policies and the current strategy, including the mainstreaming of cross-cutting issues such as human rights, gender and the environment (Annex 11). The European Commission has recently introduced an instrument for assessing the impact of most of its proposals, which helps improve the consistency of measures under preparation by involving the relevant departments.

At the time of the consultations, the country's authorities and civil society raised concerns about the GSP system of trade preferences, which, despite recent improvements, is not proving sufficient to influence long-term investment decisions, and the Common Agricultural Policy, notably in the banana sector. A lack of coordination has also been observed between the various projects financed under certain thematic and geographical budget lines.

Given the importance of the sector (Annex 6), the Commission has a particular interest in developing a shipping dialogue with Panama, with particular reference to the application of international labour and maritime safety standards (Paris Memorandum). Environmental policy is a major priority, and dialogue should therefore be stepped up, especially on the conservation of protected sea areas.

5. EUROPEAN COMMISSION STRATEGY

5.1 OBJECTIVES AND CONDITIONS

This strategy paper was drawn up in May 2005 in consultation with Panama's government and civil society (academic community, chambers of commerce, administrations, donors) on the basis of two workshops ("social cohesion" and "regional integration") addressing key topics on the national agenda (tax reform, decentralisation, social exclusion, participation of civil society, in particular indigenous communities, modernisation of the state, and the political and economic aspects of regional integration). The consultations confirmed the issues and challenges identified in Chapter 2 (see Annex 13 for further details).

The design of the European Commission's cooperation strategy with Panama has been guided by a number of key considerations:

- Defining priority sectors within the framework of the two major priorities defined at the Guadalajara and Vienna Summits, social cohesion and regional integration;

- Cooperation should focus on major national priorities featuring in the government's programme.
- Mainstreaming, if relevant, in all programmes the following issues : the promotion of human rights, gender equality, democracy and good governance, the rights of the child and indigenous people's rights, environment and combating HIV/AIDs, malaria and dengue.
- Implementation of the cooperation strategy, the conditions and the calendar for implementation, depending upon the results obtained during the 2002-2006 stage and the beneficiary government's commitment to provide matching funds;
- Backing up Commission support with more in-depth political dialogue, to include particular sectors, and, possibly, transfers of European experience with a view to strengthening public policy;
- Organising awareness-raising campaigns, in cooperation with Panama and in that country, about the priorities set out in the strategy paper.
- In the interests of genuine participation and true ownership of the programmes by the country, an ongoing dialogue on development and the implementation of future cooperation will be fostered between the various national stakeholders, including central government, local authorities, political parties and civil society.
- Coordination will be strengthened with the regional strategy, which prioritises support for Central American integration (Annex 12), and with current and future regional programmes (See 2007-2013 Latin America RSP).
- Paying particular attention to coordination with other donors at all stages of implementation of cooperation, including multilateral donors such as the IDB and the World Bank. The chosen sectors and intervention methods complement those of the other donors, whose aid to the country is limited and targeted on the sectors mentioned in 4.2.

This strategy will be subject to a mid-term review (2009-2010). Consideration will be given to the issue of whether this strategy - including the funds earmarked for cooperation - should be adjusted, depending on developments in the situation and the main challenges facing the country, including the main socioeconomic indicators and progress on cooperation.

5.2 JUSTIFICATION FOR THE CHOICE OF FOCAL SECTORS

5.2.1 SOCIAL COHESION

Analysis of Panama's situation showed worrying social indicators in rural areas of the country. They reflect growing inequality in development levels. The intervention of the European Commission will support Panama's efforts to remedy social and territorial imbalances and reduce inequalities and exclusion. The government's tax reforms and decentralisation will play a crucial part in the modernisation of the state by increasing the

revenue needed to meet social needs in economically and socially marginalised regions of the country and targeting the most vulnerable groups.

The Commission's cooperation strategy is aimed at supporting measures to foster public access to high-quality social services in the areas of health, education, employment and the environment in the areas most affected by poverty.

It will help the Panamanian government meet a major challenge and integrate rural communities, especially indigenous peoples. It will foster dialogue and the involvement of the groups concerned. Intervention will help support the country's efforts to achieve the Millennium Goals.

It will take account of processes under way in the country in the areas of tax reform, decentralisation and social policies. A key aspect will be the transfer to local entities of resources in the field of social services and efforts to ensure the effective use of these resources.

The European Union offers value added in the area of social policies and fighting inequality and exclusion and can draw on the Member States' experience and social models. In this respect, cooperation projects will be accompanied by political dialogue, in accordance with the recommendations of the Guadalajara Declaration, and the exchange of good practice tapping experience gained from the Lisbon Process and open coordination of action against poverty and social exclusion.

Cooperation will support efforts to promote gender equality. Particular attention will be paid to involving indigenous peoples and their organisations in decisions concerning them, especially women. The issue of protecting the environment and natural resources will be mainstreamed in the programme.

5.2.2. REGIONAL INTEGRATION

The European Commission attaches particular importance to the Central American regional integration process and will support measures by Panama that foster its integration into the region. Measures programmed at bilateral level will be consistent with, and complement, the regional strategy. More specifically, they will be aimed at helping the country develop policies that converge with those of the rest of the region.

This reflects Panama's stated desire of joining the Central American integration process with a view to an association agreement with the European Union.

History shows that regional integration is good for political stability and security, as well as economic growth, trade and investment, particularly social investment; thereby helping to create wealth which reduces poverty, provided of course, that there is a coherent political framework to harness it.

The European Commission will be able to capitalise on its experience of integration and on its current cooperation in this area, especially the support it has been providing for

Central America's integration process for a number of years, particularly in the following areas:

- supporting initiatives to make Panama a fully-fledged participant in the development of Central American institutions and policy convergence in the region;
- increasing the degree of integration with the region, inter alia by strengthening the institutions competent for foreign trade and customs, competition policies, sanitary and phytosanitary standards, company law, intellectual property, technical standards and consumer protection.

5.3 FORMULATION OF PROGRAMMES IN THE FOCAL SECTORS

Given the limited amounts allocated to the two focal sectors, the project approach will be favoured by maximising the effectiveness of capacity-building activities for administrations and stakeholders in both sectors. Panama needs to implement policies and measures aimed at reducing inequality and poverty in rural areas and taking part in the regional integration process. Civil society will be systematically involved (especially rural communities and businesses). In defining the activities associated with the programmes, particular attention will be given to the aspects of good governance and sound financial management of public monies, as well as to issues relating to corruption.

6. 2007-2013 NATIONAL INDICATIVE PROGRAMME (NIP)

The indicative financial allocation on the period is 38 €M.

6.1 CONDITIONS

In view of the slow implementation of current cooperation with Panama, particular attention will be paid to the following points:

- the priority given to flanking measures to accompany the country's reforms,
- the official agreement of the authorities concerned to the proposed programmes,
- the inclusion of the various programmes in the final programming schedule, provided that the following conditions are met: monitoring of the implementation of the current programme (2002-2006) has made considerable progress in carrying out regular evaluations; the Panamanian authorities have allocated the administrative and financial resources necessary for EC cooperation projects (cf. the future cooperation law);
- training activities are planned to familiarise the beneficiaries (management entities and any institution eligible to take part in the implementation of projects) with the European Commission's procedures;

- as part of the programming review carried out by the Commission in 2009, the performance of cooperation with Panama will be evaluated so that the Commission can decide whether its strategy needs to be changed.

The implementation of programming, the exact budget, the timetable for operations and the performance deadlines will depend on the outcome of studies and analyses carried out by the European Commission.

6.2 ACTIVITIES AND FOCAL SECTORS

6.2.1 SOCIAL COHESION

General objective: to help alleviate poverty and tackle social and territorial inequalities and various forms of exclusion within the country by supporting the modernisation of the state in the area of local development and social policies.

Specific objective: to provide support for the process of modernising and strengthening the capacities of the authorities. Such support will focus on:

- promoting rural development;
- improving public policies in order to improve social indicators. Particular attention will be paid to building the capacity of local social services in the areas of health, employment, education and the environment. Activities will focus on the most economically marginalised regions where the most disadvantaged groups live (poverty rates higher than the national average), and in particular indigenous communities;
- transferring resources to local entities as part of the process of decentralising social provision to make use more efficient and to accompany reforms;
- support for tax reform to combat fraud and tax evasion; efficiency of tax collection, audit capacity, implementation of the country's international commitments in the fields of transparency and exchange of information;
- strengthening the participation of indigenous communities, with a particular emphasis on women.

The direct beneficiaries are central and local government, including local authorities, especially in the areas of taxation and social policies. The ultimate beneficiaries are poor people in rural areas, indigenous communities, especially women, young people and children.

Conditions/risks: The Government will have to adopt appropriate policy measures to make headway with reforms according to the methods and deadlines laid down, including transferring resources to the poorest regions and implementing measures to raise public awareness and measures to facilitate cooperation activities (administrative provisions).

Performance indicators include quantitative and qualitative data on:

- the increase in and distribution of public spending in the social sector, particularly an increase in social investment (education, health, employment, environment, etc) and in the effectiveness of public spending on social services, especially in the poorest areas;
- the improvement of tax indicators;
- an improvement in social indicators in the areas concerned, in particular in the areas of health, education, employment and the environment, with a view to achieving the Millennium Development Goals in these areas;
- accessibility and provision of social services and benefits for the most disadvantaged communities and target groups, and in particular an improvement in the living conditions of indigenous communities, women and children;
- administrative decentralisation, including transfers of powers and resources;
- measures carried out: number of training courses and participants; amenities introduced; number of people benefiting from programmes;
- measures to raise awareness among the general public and taxpayers of the advantages of a redistributive policy favouring the poorest members of society;

Programmes/activities: support for the government's social programmes, studies, surveys, training courses, seminars, supply of equipment and logistics; demonstration projects; exchanges of experience, etc.

Mainstreaming of cross-cutting issues

Issues	SOCIAL COHESION SECTOR
Gender equality	Promote the equality of women, in particular in activities to reduce exclusion and poverty. Promote the participation of women.
Human rights and the cultural dimension	Promote integration and respect for human rights, in particular those of less integrated groups of the population. Take account of the situation of indigenous peoples and excluded groups, take account of their culture and traditions in activities by ensuring their participation: promote the fight against all forms of exclusion and support the multicultural character of policies and public services.
Rights of the child	Mainstream the protection and rights of children (the most vulnerable group) in health and education programmes in particular, targeting children belonging to the most vulnerable rural groups.
Environment	Mainstream factors associated with environmental pollution, access to resources, water and all other factors damaging to sustainable development; take account of vulnerability to natural hazards.

6.2.2 REGIONAL INTEGRATION

The general objective is to promote Panama's integration into the Central American region, with particular attention to its participation in the Central America Customs Union and internal market measures.

Specific objective: to develop a set of measures strengthening national institutions in the following fields:

- harmonising legislation, norms and standards on technical, sanitary and phytosanitary and intellectual property matters;
- fostering Panama's integration into the region and helping satisfy the European Commission's technical demands for the future negotiations on an EU-Central America association agreement.

The beneficiaries are the administrative bodies concerned and chambers of commerce, companies being indirect beneficiaries.

Conditions: The Government of Panama must adopt the decisions and measures necessary to progress towards regional integration with Central America, taking account of the debate under way in the country.

The principal indicators for measuring the expected results include quantitative and qualitative data on:

- the improved capacity of national bodies responsible for the certification of sanitary, phyto-sanitary and industrial standards;
- the creation of a national intellectual property authority to develop protection for patents, trademarks and industrial models and to combat piracy;
- training for judges and customs officers, with particular reference to the fight against customs fraud;
- measures to raise the awareness of heads of small and medium-sized enterprises of standardisation and the modernisation of the system and any increase in such awareness;
- equipment provided;
- convergence of Panama with the Central American Customs Union.

Programmes/activities: studies, training, seminars, supply of equipment.

Mainstreaming of cross-cutting issues

Issues	Regional integration
Marginalised groups, immigration, gender, social integration	Take account of the economic and social impact of activities on poverty reduction, marginalised and vulnerable people.
Human rights, in particular labour rights.	Take account of the application of international labour rules.
Environment	Accompany activities by setting environmental objectives and indicators and by conducting environmental impact assessments, including assessments of the impact on the use of natural resources.

6.3. COMPLEMENTARITY WITH OTHER FINANCIAL COOPERATION INSTRUMENTS

The financing of this programming is covered by geographic bilateral programmes under Latin America financing.

The country is eligible to regional programmes (ALFA, ALBAN, AL-INVEST, @LIS, EuroSociAL, URBAL) or thematic programmes, such as Environment, Non States Actors, Investing in people or Democracy and Human Rights programmes which are complementary with geographic bilateral cooperation with Panama

Complementarity and synergy will be sought between regional programmes and bilateral cooperation, in particular on the topic of social cohesion with the EuroSociAL programme, which organises training and exchanges between administrations and actors responsible for public policies (justice, taxation, education, health, employment), and any other relevant programme that may be developed during the 2007-2013 regional programming phase, especially in the areas of taxation, decentralisation, social policies and partnerships between local authorities. The instruments established in the context of the 7th Framework programme for Research (2007-2013) are designed to strengthen cooperation with the countries of Latin America and provide Panama with opportunities, especially in environmental matters. There will be coordination with such programmes as the DIPECHO risk-prevention programme under way in the country and the region. Intervention in the event of disaster would be a matter for humanitarian aid policy and instruments. The prevention of natural disasters is also covered by a regional programme for Central America launched in 2005.

Panama has received little from issue-based budget lines and is not a target country for any of these lines, but additional targeted measures could be considered in the areas of human rights and NGOs (in the sectors of justice and indigenous communities). The Environment and Tropical Forests financial instrument could also be used in support of

this strategy (see also Annex 11), for measures targeting major environmental problems in Panama (deforestation, water pollution, waste management).

Complementarity and synergy will be sought with the Central America regional programme, which is focused on regional integration (Annex 12), between the Latin America regional programmes and bilateral cooperation, in particular with AL-INVEST and other regional activities following up the @LIS programme (SME support and regular dialogue on the Information Society).

7. AMOUNT AND INDICATIVE TIMETABLE FOR 2007-2013

	2007	2008	2009	2010	2011	2012	2013
Social cohesion			75%				
Regional integration				25%			

ANNEX 1: Selected indicators of the country



Nombre oficial

República de Panamá

Geografía

Superficie: 77.381 km² (29.762 mi.²)

Ciudades: *Capital*: Ciudad de Panamá (827.828). *Otras ciudades principales*: Colón (140.908), David (102.678).

Relieve: Montañoso (montaña más alta: Cerro Volcán, 3,475 m.); 2.857 km (1.786 mi.) de costa.

Clima: Tropical, con un promedio de 28 mm de precipitación pluvial diaria en el invierno.

Gobierno

Tipo: Democracia constitucional.

Independencia: 3 de noviembre de 1903.

Constitución: 11 de octubre de 1972; enmendada en 1983 y 1994.

Poderes: *Ejecutivo*: presidente (jefe de estado), dos vicepresidentes. *Legislativo*: Asamblea Legislativa (unicameral, 72 miembros). *Judicial*: Corte Suprema.

Circunscripciones administrativas: nueve provincias y cinco territorios (indígenas).

Partidos políticos: Partido Arnulfista y PRD

Sufragio: universal y obligatorio a partir de los 18 años.

Población

La República de Panamá presenta una población muy diversa. Según el censo de 1990, un 64% es mestiza, un 14% mulata y negra, un 10% descendientes de europeos, casi un 8% de indígenas — básicamente de las etnias kuna (kuna), guaymí y chocó— y un 4% descendientes de asiáticos, principalmente chinos. En 2002 el 57% de la población vivía en ciudades.

Idioma

El Español es la lengua oficial. Un 14% de la población habla inglés siendo, por ello, bilingües muchos panameños. También se hablan otras lenguas como Guaymí y kuna.

Religión

El 86% de la población se declara católica, el 11% evangélica, y un 3% no creyente.

Panama Data Profile

	2000	2003	2004
People			
Population, total	2.9 million	3.0 million	3.0 million
Population growth (annual %)	1.5	1.5	1.5
National poverty rate (% of population)	..	..	..
Life expectancy (years)	..	75.0	..
Fertility rate (births per woman)	..	2.4	..
Infant mortality rate (per 1,000 live births)	20.0	18.0	..
Under 5 mortality rate (per 1,000 children)	26.0	24.0	..
Births attended by skilled health staff (% of total)	..	..	..
Child malnutrition, weight for age (% of under 5)	..	..	..
Child immunization, measles (% of under 12 mos)	97.0	83.0	..
Prevalence of HIV, total (% of population aged 15-49)	..	0.9	..
Literacy rate, adult male (% of males ages 15 and above)	92.5	..	..
Literacy rate, adult female (% of females ages 15 and above)	91.2	..	..
Primary completion rate, total (% age group)	96.7	97.5	..
Primary completion rate, female (% age group)	96.3	97.9	..
Net primary enrollment (% relevant age group)	97.8	..	..
Net secondary enrollment (% relevant age group)	61.1	..	..
Environment			
Surface area (sq. km)	75,520.0	75,520.0	..
Forests (1,000 sq. km)	28,760.0	..	..
Deforestation (average annual % 1990-2000)	1.6	..	..
Internal freshwater resources per capita (cubic meters)	..	49,262.4	..
CO2 emissions (metric tons per capita)	2.2	..	..
Access to improved water source (% of total pop.)	..	..	..
Access to improved sanitation (% of urban pop.)	..	..	..
Energy use per capita (kg of oil equivalent)	903.3	..	..
Electricity use per capita (kWh)	1,331.8	..	..
Economy			
GNI, Atlas method (current US\$)	11.0 billion	12.1 billion	13.5 billion
GNI per capita, Atlas method (current US\$)	3,870.0	4,040.0	4,450.0
GDP (current \$)	11.6 billion	12.9 billion	13.8 billion
GDP growth (annual %)	2.7	2.0	6.2
GDP implicit price deflator (annual % growth)	-1.2	2.8	0.9
Value added in agriculture (% of GDP)	6.8	7.5	7.5
Value added in industry (% of GDP)	18.0	16.3	16.6
Value added in services (% of GDP)	75.2	76.2	75.9
Exports of goods and services (% of GDP)	68.3	59.0	64.0
Imports of goods and services (% of GDP)	69.5	57.7	61.1
Gross capital formation (% of GDP)	28.5	25.7	27.0
Revenue, excluding grants (% of GDP)	23.1	..	..
Cash surplus/deficit (% of GDP)	-0.8	..	..
Technology and infrastructure			
Fixed lines and mobile telephones (per 1,000 people)	295.7	389.5	..
Telephone average cost of local call (US\$ per three minutes)	0.1	..	..
Personal computers (per 1,000 people)	37.0	..	..
Internet users (per 1,000 people)	31.7	61.6	..
Paved roads (% of total)	..	..	..
Aircraft departures	25,200.0	25,700.0	..
Trade and finance			
Trade in goods as a share of GDP (%)	36.5	30.4	..
High-technology exports (% of manufactured exports)	0.1	0.9	..
Net barter terms of trade (1995=100)	100.0	..	..
Foreign direct investment, net inflows in reporting country (current US\$)	700.3 million	791.5 million	..
Present value of debt (current US\$)	7.3 billion	10.9 billion	..
Total debt service (% of exports of goods and services)	9.7	11.3	..
Short-term debt outstanding (current US\$)	464.1 million	439.5 million	..
Aid per capita (current US\$)	5.8	10.2	..

Source: World Development Indicators database, August 2005

Selected macro-indicators for Panama

Subject Description	Units	Scale	2000	2001	2002	2003	2004	2005	2006
Current account balance	US dollars	Billions	-0.689	-0.174	-0.061	-0.442	-0.273	-0.211	-0.082
Current account balance in percent of GDP	Ratio		-5.9	-1.5	-0.5	-3.4	-2.0	-1.5	-0.5
Gross domestic product based on purchasing-power-parity (PPP) per capita GDP	US dollars	Units	5.915.764	5.982.729	6.108.542	6.358.676	6.738.676	7.052.058	7.338.165
Gross domestic product based on purchasing-power-parity (PPP) share of world total	Percent		0.039	0.038	0.038	0.038	0.038	0.038	0.038
Gross domestic product based on purchasing-power-parity (PPP) valuation of country GDP	US dollars	Billions	17.451	17.972	18.680	19.795	21.334	22.706	24.029
Gross domestic product per capita, constant prices	US dollars	Units	3.854.644	3.806.991	3.823.120	3.917.829	4.083.479	4.155.753	4.249.738
Gross domestic product per capita, current prices	US dollars	Units	3.939.222	3.930.593	4.013.211	4.131.834	4.356.855	4.513.239	4.724.214
Gross domestic product, constant prices	National currency	Billions	11.371	11.436	11.691	12.196	12.928	13.380	13.916
Gross domestic product, constant prices, annual percent change	Percent		2.7	0.6	2.2	4.3	6.0	3.5	4.0
Gross domestic product, current prices	US dollars	Billions	11.621	11.808	12.272	12.862	13.793	14.531	15.469
Gross domestic product, deflator	Index		102.194	103.247	104.972	105.462	106.695	108.602	111.165
Implied PPP conversion rate	US dollar		0.666	0.657	0.657	0.650	0.647	0.640	0.644
Inflation	Index, 2000=100		100.000	100.314	101.316	102.749	105.114	107.896	109.879
Inflation, annual percent change	Percent		1.4	0.3	1.0	1.4	2.3	2.6	1.8

Source: International Monetary Fund, World Economic Outlook Database, September 2005

ANEXO 2: Comercio exterior de Panamá

Composición de la exportación de Bienes, FOB (en millones de US \$)

Indicadores	1999	2000	2001	2002	2003	2004
Petróleo.....	90.4	210.1	191.5	148.7	5.4	4.9
Exportación de bienes excluyendo el petróleo:						
Bananos.....	187.3	148.3	122.2	109.4	112.8	108.2
Melón.....	...	11.7	15.8	28.0	26.7	49.2
Piña.....	...	0.1	0.8	0.3	4.0	12.0
Sandía.....	...	3.9	9.8	12.7	20.9	21.7
Azúcar.....	14.5	19.9	13.9	15.1	12.8	10.4
Café.....	20.0	16.0	11.1	9.2	12.2	11.0
Camarones.....	69.0	59.4	70.1	58.0	56.5	53.8
Harina y Aceite de pescado.....	5.7	10.0	12.8	7.6	13.0	9.3
Larvas de camarones.....	65.7	8.9	9.3	8.0	4.5	6.3
Atún de aleta amarilla, pescado y filetes.....	70.7	111.2	148.1	169.5	262.6	281.8
Ropa.....	21.9	19.5	14.3	13.3	11.0	8.8
Carne de Ganado Vacuno.....	...	9.5	11.4	14.3	9.6	14.4
Ganado Vacuna en pie.....	...	16.6	37.2	13.3	18.0	13.2
Cueros y pieles preparados.....	...	9.0	8.5	8.2	8.5	8.9
Otros exportaciones.....	323.8	275.2	267.1	242.1	226.7	276.4
TOTAL.....	778.6	719.4	752.4	709.1	799.6	885.4
Otras Reexportaciones Nacionales	51.6	28.8	45.4	42.9	33.8	48.2
TOTAL.....	920.6	958.3	989.3	900.6	838.8	938.5

Composición de la importación de Bienes, CIF (en miles de US \$)

Indicadores	2000	2001	2002	2003	2004
Bienes de consumo.....	1,099.5	1,019.1	1,207.3	1,294.0	1,547.4
No duraderos.....	500.8	477.3	496.9	545.5	596.2
Semiduradero.....	293.1	252.3	297.3	270.9	303.6
Utensilios domésticos.....	126.2	104.6	117.3	117.6	131.2
Combustibles y lubricantes.....	179.3	184.9	295.7	360.0	516.4
Bienes Intermedios.....	1,367.2	1,235.7	1,092.2	994.4	1,119.3
Materias primas para la agricultura.....	50.2	49.7	63.2	74.3	88.5
Materias primas para la industrias.....	1,113.3	1,022.2	837.6	671.3	736.0
Materiales de construcción.....	167.7	133.7	158.8	216.0	254.9
Otros insumos intermedios.....	36.1	30.1	32.6	32.8	39.9
Bienes de capital.....	938.3	731.6	735.8	833.8	927.7
Para la agricultura.....	23.3	15.9	20.1	24.0	26.4
Para la industria, construcción y electricidad....	356.8	261.0	235.1	254.4	277.8
Equipos de transporte y telecomunicaciones....	448.2	368.0	407.0	468.0	525.4
Otros bienes de capital.....	110.0	86.7	73.6	87.4	98.2
TOTAL.....	3,405.0	2,986.4	3,035.3	3,122.3	3,594.4

Fuente: Controlaría de la República

Comercio exterior entre Panamá y el mundo, Año 2004, en millones de dólares y en %

País	Exportaciones		Importaciones	
Estados Unidos	456.2	48.6%	1081.9	30.1%
Centroamérica	97.6	10.4%	327.1	9.1%
Unión Europea	237.4	25.3%	186.9	5.2%
América del Sur	22.5	2.4%	481.6	13.4%
Asia	37.7	4.0%	388.3	10.8%
Resto del mundo	86.3	9.2%	1128.6	31.4%
TOTAL	938.5	100.0%	3,594.4	100.0%

Fuente: Controlaría de la República

Exportaciones de la Unión Europea hacia Panamá en 2004

Descripción	%
TOTAL	100%
Barcos y artefactos flotantes	53.85
Productos farmacéuticos	8.39
Perfumes y aguas de tocador	4.76
Artículos de joyería y sus partes	4.29
Máquinas y aparatos mecánicos	3.77
Bebidas o líquidos alcohólicos y vinagre	3.24
Máquinas y aparatos eléctricos y sus partes: aparatos de sonido	2.45
Productos químicos orgánicos	2.07
Vehículos automóviles, tractores, ciclos y sus partes	2.05
Manufacturas de fundición, de hierro y acero	1.32
Combustibles minerales, aceites, material bituminoso, ceras minerales	1.22
Instrumentos y aparatos de óptica, fotografía o cinematografía, de medida, de precisión	0.90
Prendas y accesorios de vestir, excepto los de punto	0.82
Muebles, mobiliario médico quirúrgico, letreros	0.70
Otros	10.17

Fuente: EUROSTAT

Importaciones a la Unión Europea procedente de Panamá en 2004

Descripción	%
TOTAL	100%
Bananos	48.71
Barcos y artefactos flotantes	29.38
Pescado y crustáceos	5.91
Melones	2.50
Piña	2.01
Pieles y cueros	1.70
Bebidas, líquidos alcohólicos y vinagre	1.38
Sandía	1.08
Minerales metalíferos, escorias y cenizas	1.05
Motores de carros y motores de otros vehículos	0.66
Grasas y aceites de pescado o animales marinos	0.50
Otros	5.11

Fuente: EUROSTAT

ANEXO 3: Objetivos del Milenio para el Desarrollo

SISTEMATIZACIÓN COMPARATIVA **INFORMES DE CUMPLIMIENTO DE LOS OBJETIVOS DE** **DESARROLLO DEL MILENIO EN AMÉRICA LATINA Y EL CARIBE** **Informes de País 2002-2005**

PANAMÁ– 2003 Objetivos y Metas propuestos	Situación Actual	Estimación de Cumplimiento	Desafíos y Prioridades	
<p>1. Erradicar la Pobreza Extrema y el Hambre</p> <ul style="list-style-type: none"> ▪ Reducir a la mitad a la proporción de personas con ingresos menores a un dólar por día ▪ Reducir a la mitad la proporción de personas que sufren hambre 	<ul style="list-style-type: none"> ▪ La población con ingresos menores de un dólar diario ha experimentado una mejoría ya que en 1990 representaba el 31,4% y en el 2000 era del 23,9%. Sin embargo cuando esta cifra se desagrega en el área rural, urbana, o indígena, las disparidades crecen considerablemente. ▪ La participación del quintil mas pobre en el consumo nacional era de 3,5% en 1997, mientras que el quintil más rico tenía el 52,9% del consumo nacional. ▪ El 20% de la población con mayores ingresos concentra el 62,7% de los ingresos del país, mientras que el quintil de la población con menores recursos acumula apenas el 1,5% de este ingreso. ▪ La proporción de menores de 5 años con bajo peso para la edad era en 1997 de 6,8% para el total del país. Pero en la población indígena se triplica y alcanza el 21,0% ▪ El bajo peso afecta al 11,7% de los niños pobres y al 17,0% de los pobres extremos en 1997. 	na	Políticas Sugeridas en el informe	Costeo de las metas
			<ul style="list-style-type: none"> ▪ Buscar estrategias que contribuyan a una mejor distribución de la riqueza como un factor decisivo para mejorar las condiciones de vida de la población en riesgo social y mejorar los indicadores de desarrollo humano del país. ▪ Fortalecer el desarrollo de programas destinados mitigar la pobreza. ▪ Otorgar a este tema la prioridad de problema de Estado, adoptando los pactos sociales necesarios para enfrentar la lucha contra la pobreza, en el marco de una asignación mas eficiente y localizada de recursos para el desarrollo, promoviendo la participación en esta estrategia, de la sociedad civil, sector privado y grupos en pobreza. 	na
<p>2. Alcanzar la Educación Básica Universal</p> <ul style="list-style-type: none"> ▪ Asegurar que todos los niños y adolescentes puedan completar la educación básica 	<ul style="list-style-type: none"> ▪ Las tasas de matricula son altas, en 1990 alcanzaba el 91,0% y en 200 el 97,7%. ▪ Se registra igualmente una mejora en las tasas de alfabetismo de la población de 15 a 24 años, de 94,8% en 1990 a 96,1% en 2000. Sin embargo, se observan diferencias entre zonas rurales y urbanas. Ante una tasa de 96,1% en el país, en la zona rural es de 90.8% y en la zona urbana 99,0%. 	na	<ul style="list-style-type: none"> ▪ Intensificar los esfuerzos dirigidos a incluir a la población indígena en el sistema educativo. ▪ En Panamá, el entorno es favorable para la inversión educativa, porque crece el valor que la sociedad ha otorgado a la educación para impulsar el desarrollo. 	na

<p>3. Promover la igualdad entre los sexos y la autonomía de la mujer.</p> <ul style="list-style-type: none"> Eliminar la disparidad de género en la educación primaria y secundaria hasta el 2005 y en todos los demás niveles hasta el 2015. 	<ul style="list-style-type: none"> Existe una situación bastante similar entre hombre y mujeres en los primeros niveles de educación, dado el mayor acceso y permanencia de las mujeres en el sistema educativo en los últimos años. En la educación superior es mayor la matrícula femenina, que ha aumentado entre 1990 y 2000. En la Universidad de Panamá, la matrícula femenina duplica a la masculina, y el egreso es triple para las mujeres. A pesar de estos avances, la tasa de alfabetización masculina todavía es mayor, sobre todo en la población indígena. La relación entre las tasas de alfabetización de las mujeres y los hombres de edades entre 15 y 24 años es de 0,99 (1990/2000) La participación de más mujeres dentro de la Población Económicamente Activa es desigual e injusta, dado que el hombre recibe salarios más altos por un mismo trabajo y calificación. En la participación política, la disparidad entre hombres y mujeres es especialmente alta. En 1990, la participación de mujeres en la Asamblea Legislativa representaba el 7,5%. En 1999, el porcentaje aumentó a 9,9. 	<p>Na</p>	<ul style="list-style-type: none"> Fortalecer los programas y hacer cumplir las leyes que favorecen el avance de las mujeres en el marco de las políticas de igualdad. Las niñas y jóvenes de las comarcas indígenas deben ser el grupo meta a fortalecer en materia de equidad de género en la educación. Se debe fortalecer el empoderamiento de las mujeres en su participación en puestos políticos y de decisión. 	<p>na</p>
<p>4. Reducir en 2/3 la tasa mortalidad de menores de 5 años:</p> <ul style="list-style-type: none"> Reducir en 2/3 partes la tasa de mortalidad infantil 	<ul style="list-style-type: none"> La tasa de mortalidad de menores de 5 años por cada 1,000 habitantes era de 4,82 en 1990 y 4,76 en 2000. La tasa de mortalidad de menores de un año en 1990 era de 18,9 por 1,000 nacidos vivos, y de 16,7% en el 2000, con variaciones entre el área urbana (16,9) y rural (19,2). Estos avances se deben a la fuerte inversión que históricamente Panamá ha venido haciendo en servicios de salud. Entre las principales causas de muerte se encuentran la diarrea y la gastroenteritis de origen infeccioso, neumonía y desnutrición. 	<p>na</p>	<ul style="list-style-type: none"> En las áreas indígenas se hace necesaria la movilización de recursos y el desarrollo de estrategias conjuntas de prevención de las enfermedades, promoción de la salud, así como la ejecución de proyectos de desarrollo integral dirigidos ala niñez. Se requiere la implementación de políticas muy precisas, destinadas a ampliar los servicios de salud y los proyectos dirigidos a extender la cobertura a áreas rurales e indígenas. 	<p>Na</p>
<p>5. Mejorar la salud materna</p> <ul style="list-style-type: none"> Reducir la tasa de mortalidad materna en 3/4 partes 	<ul style="list-style-type: none"> Las tasas de mortalidad materna muestran una tendencia estable desde la década de los 80, con valores que oscilan alrededor de 0,6 por 1,000 nacidos vivos. En 1990 la tasa fue de 0,5 y en el 2000 fue de 0,6. El 80% de las muertes maternas son por causas obstétricas directas, siendo las principales, la hemorragia, los trastornos de hipertensión del embarazo, el aborto y las complicaciones del puerperio. En el 2000 la tasa promedio de mortalidad materna en el área urbana fue de 0,3% por 1000 nacidos vivos, mientras que en el área rural fue de 0,9 por 1000 nacidos vivos. 	<p>na</p>	<ul style="list-style-type: none"> La intervención básica para contribuir a una maternidad sin riesgo consiste en lograr que cada parto sea atendido por personal calificado. Esto conlleva al acceso a atención obstétrica esencial: la disponibilidad de transporte rápido hacia los centros con capacidad de realizar intervenciones quirúrgicas; que brinden servicios de anestesia y bancos de sangre para intervenir en casos de embarazos de alto riesgo 	<p>Na</p>

	<ul style="list-style-type: none"> ▪ En el año 2000 el 90,5% de los nacimientos fueron efectuados con atención profesional, y el 90,3% de los mismos ocurrió en una institución de salud. Sin embargo existen brechas entre las áreas rural (81,3%) y urbana (99,6%). ▪ La extensión de cobertura en la atención del parto muestra un incremento, ya que en 1990 era de 86,3% y en 2000 aumentó a 90,5%. En el área rural se aumento del 75,4% a 81,3% en el mismo período. 		<p>y en las complicaciones del parto.</p> <ul style="list-style-type: none"> ▪ Es necesario aumentar la cobertura del control del embarazo y atención especializada al parto especialmente en las provincias de Bocas del Toro, Darién, Coclé y Veraguas. 	
<p>6. Combatir el VIH/SIDA, y otras enfermedades graves</p> <ul style="list-style-type: none"> ▪ Haber detenido e iniciado la reversión de la propagación del VIH/SIDA en el 2015. ▪ Reducir la incidencia de la malaria y otras enfermedades graves 	<ul style="list-style-type: none"> ▪ La tasa de mortalidad por VIH/SIDA en la población de 15 a 24 años era de 6,3 en el año 2000. ▪ Entre 1990 y 2000 se registraron en Panamá 124 casos de mujeres con VIH/SIDA, de entre 15 y 24 años, de las cuales fallecieron 79 según cifras del 2001. ▪ La prevalencia de la infección en mujeres embarazadas es de 1/800 a 1/1000 nacidos vivos. De manera general, el informe indica que no se ha logrado revertir la tendencia de expansión del SIDA. ▪ En cuanto a la malaria, aunque las tasas de incidencia de la enfermedad son bajas y se realizan campañas de prevención, el número de casos ha aumentado de 381 a 1.036 entre 1990/2000. ▪ Los principales focos de contagio son las zonas con fronteras y la continua migración. ▪ El 96% del territorio Panameño se constituye en zonas de riesgo de paludismo donde se aplican medidas de prevención y tratamiento. Sin embargo, en 1990 se estimaba que el 72,9% de la población se encuentra en riesgo de contraer malaria. Para el año 2000, la cifra aumenta a 90,2%. ▪ El riesgo de contraer tuberculosis continúa con tendencia ascendente desde 1984; sin embargo en los últimos 5 años la incidencia ha mantenido un rango con variaciones que oscilan entre 54,2 y 40,2 por 100.000 habitantes. En el año 2000 se registraron 1,149 casos. 	na	<ul style="list-style-type: none"> ▪ Este objetivo plantea un reto ya que existen avances en las tasas de registro de las enfermedades. Pese a los avances será necesario la realización de nuevos esfuerzos para contrarrestarlas. (El Informe no sugiere políticas para este objetivo) 	Na
<p>7. Asegurar un medio ambiente sostenible</p> <ul style="list-style-type: none"> ▪ Haber logrado en el 2015 que todas las políticas y programas del país hayan integrado los principios del desarrollo sostenible y se haya revertido la pérdida de recursos naturales ambientales 	<ul style="list-style-type: none"> ▪ La proporción de territorios boscosos ha disminuido del 44,5% en 1992 a 40,4% en 1998. ▪ A pesar de los pactos firmados y de las dos Cumbres de la Tierra en 1992 y 2002, en Panamá continua la deforestación, y por lo tanto el deterioro del medio ambiente y de la biodiversidad. ▪ En 1994 se producían 5,8 Kg. per capita de dióxido de carbono. Este indicador no se ha vuelto a calcular. ▪ En relación al agua potable, aún cuando se ha registrado un aumento a nivel del país de 78,7% a 88,2% de la población con acceso al agua potable, todavía hay comarcas rurales e indígenas que están muy por debajo del promedio nacional. Por esta razón se hace necesario para lograr la meta prestar atención al abastecimiento de agua potable sobre todo en las áreas indígenas y rurales. 	na	<ul style="list-style-type: none"> ▪ El desarrollo sostenible es una medida que debe adoptarse de manera urgente y continuada. El deterioro de los trópicos y sub-trópicos esta afectando el clima y la salud de los habitantes. A pesar de que existe una conciencia en el tema, esta conciencia no va ligada a la acción. ▪ Es necesario hacer un mayor esfuerzo para lograr la sensibilización de la población y la percepción de que se deben adoptar alternativas de producción que no deterioren el ambiente. ▪ Para garantizar la sostenibilidad del ambiente 	

<ul style="list-style-type: none">▪ Reducir en 2/3 la proporción de la población sin acceso al agua potable entre 1990 y 2015	<ul style="list-style-type: none">▪ Se ha registrado un aumento al acceso de la población a la disposición sanitaria de excretas entre 1990 y 2000, de 86,8% a 91,6% en el nivel nacional. Todavía no se han hecho esfuerzos suficientes en el área indígena (Comarca Kina Yala) , donde solo el 7,18% tiene acceso a la disposición sanitaria de excretas.▪ En 1990, 68,9% de las viviendas estaban en buenas condiciones, para el año 2000 este porcentaje aumento a 80,3%, con poca variación entre lo rural y urbano.		<p>se debe hacer muchos esfuerzos en lo que se refiere al manejo sostenible de los recursos naturales, así como a la calidad de vida de la población.</p>
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ANEXO 4: Perfil de género

En Panamá se han hecho esfuerzos por instaurar políticas en pro de la igualdad y la equidad de género no sólo desde el gobierno central, sino también desde lo local.

La suscripción de compromisos internacionales, el apoyo de la cooperación internacional y la lucha del movimiento de mujeres, ha sido clave, para el avance en materia legislativa y de política pública, en el tema de la equidad e igualdad de género, ganando posiciones en la agenda de los problemas nacionales.

El avance en jurisprudencia específica con enfoque de género, se ha establecido en leyes tales como: Ley por la cual se aprueba al Código de la Familia (1994), Ley por la cual se ratifica la Convención Interamericana para prevenir, Sancionar y Erradicar la Violencia contra la Mujer (1995), Ley por la cual se instituye la igualdad de oportunidades para las mujeres (1999), Ley que garantiza la salud y la educación de la adolescente embarazada (2002), permitiendo de esta manera, que la sociedad panameña avance en su estructura jurídica en temas específicos de género.

La creación del Ministerio de la Juventud, la Mujer, la Niñez y la Familia en 1997 y de la Oficina de la Mujer, que depende del Instituto Nacional de Formación Profesional (INAFORP) en 1998, permite la legitimación de las políticas para la igualdad y la equidad de género. Entre las estrategias priorizadas para la legitimación de la política, son los procesos de sensibilización y capacitación, que se están implementando desde los ámbitos: nacional, local y regional.

AMBITO NACIONAL:

En 1995 el Gobierno de Panamá estableció el Consejo Nacional de la Mujer (CONAMU) y la Dirección Nacional de la Mujer (DINAMU), que dependen del Ministerio de Trabajo y Bienestar Social. El Ministerio de la Juventud, la Mujer, la Niñez y la Familia se había creado en 1997 y una de sus principales funciones consiste en promover la igualdad entre los sexos.

La Oficina de la Mujer es una instancia asesora para la promoción y desarrollo integral de la mujer que cuenta con el apoyo técnico y financiero de la Unión Europea a través del Programa Promoción de la Igualdad de Oportunidades para las mujeres en Panamá.

El Primer Plan Nacional Mujer y Desarrollo (PNMD) se desarrolló entre 1994 y 2001, coordinado por las organizaciones de Mujeres y con participación de funcionarias de las principales dependencias públicas. En este proceso también se crea una propuesta de mecanismos institucionales con participación de la sociedad civil para el monitoreo del PNMD, de ahí surge el Consejo Nacional de la Mujer, instancia pública formada paritariamente entre el Gobierno y la Sociedad civil.

De igual manera se confeccionó un Plan de Acción para los años 2002-2006 denominado Plan de Igualdad de Oportunidades II 2002-2006 (PIOM II), a través de un proceso de consulta y participación de todos los sectores de la sociedad.

En este mismo contexto se elaboró el Plan Nacional Contra la Violencia Doméstica y Formas de Convivencia Ciudadana que trata de disminuir la creciente violencia que a diario se vive en la sociedad panameña.

AMBITO LOCAL:

También se han elaborado Planes Locales en las Comunidades Pilotos de Soná y San Miguelito, que tienen como objetivo el establecimiento de un modelo local de prevención y atención de la violencia intrafamiliar, dejando instalada la capacidad técnica en los sectores de salud, judicial y educación para su ejecución en temas como planeamiento estratégico, evaluación y seguimiento de proyectos sociales de prevención y atención de violencia intrafamiliar para personal directivo, administrativo y operativo de las instancias competentes en esta materia.

Las actividades de desarrollo institucional de la Oficina de la Mujer están orientadas al fortalecimiento y a la consolidación de las Unidades de Enlace. Actualmente hay 14 Unidades de Enlace en los diferentes Centros de Formación, las cuales se encargan de repercutir en las provincias el trabajo de la Oficina de la Mujer.

Las Corregidurías, que se constituyen en la autoridad más cercana en la comunidad, juegan también un papel al ámbito local para las mujeres. Como institución de Policía, tienen una vinculación permanente con los sucesos que se dan en sus áreas de trabajo, es así que a estos Despachos es donde acuden con mayor frecuencia las víctimas de violencia doméstica.

AMBITO REGIONAL:

Panamá está desarrollando oficinas regionales para asegurar la presencia institucional en zonas alejadas de la capital. En 2004, el Gobierno afirmó su voluntad de promover acciones dirigidas hacia la descentralización y desconcentración de los servicios e informaciones que presta la Dirección Nacional de la Mujer, potenciando redes locales institucionales y promoviendo la instalación de Consejos Regionales de la Mujer en los Municipios.

GÉNERO Y COOPERACIÓN EUROPEA

El Programa de Igualdad de Oportunidades entre el estado panameño y la Unión Europea tiene un gran impacto. Este programa involucró casi quince millones, nueve de la UE y más de cuatro de los Gobiernos. Es importante destacar también que se ha propuesto en este Programa políticas macroeconómicas que toman en cuenta las necesidades de las mujeres.

El Instituto de la Mujer de la Universidad de Panamá promueve, con el apoyo económico de la Unión Europea, una Maestría en Género y Desarrollo que incorpora dentro del módulo de violencia género, el estudio de la violencia sexual.

En la ciudad de Panamá, el Centro de Apoyo a la Mujer Maltratada (CAMM) operó un refugio temporal para mujeres y niños maltratados financiado por el gobierno y la Unión Europea

SÍNTESIS Los principales retos de gestión en la estrategia de equidad de género en Panamá, es el de mitigar la condición de discriminación y desventajas en lo cultural, socioeconómico, legal e institucionales que impide acceder, en igualdad de condiciones y oportunidades en las diferentes esferas de toma de decisiones.

Los estudios y balances indican que se han dado avances en la institucionalización del enfoque de género en las políticas públicas. Sin embargo, unas graves limitaciones persisten.

Un problema consiste en el centralismo y concentración de los servicios e informaciones en la ciudad capital en detrimento de las poblaciones rurales y del interior. Un objetivo es de elevar el perfil técnico y organizativo de oficinas o enlaces sectoriales gubernamentales de promoción de la igualdad de oportunidades para las mujeres. La política panameña de promoción de las mujeres necesita la implementación de acciones estratégicas locales y la organización de enlaces institucionales regionales.

El Estado debe también desarrollar unas acciones de política pública para estimular la participación de las mujeres en los puestos de dirección y en la política.

Summary Gender Profile

	Panama				Latin America & the Caribbean		Upper middle income	
	1980	1990	1995	2000	1980	2000	1980	2000
GNP per capita (US\$)	1,620	2,220	2,940	3,920	2,070	3,700	2,900	5,160
Population								
Total (millions)	2.0	2.4	2.6	2.9	356.4	510.0	237.0	321.5
Female (% of total)	49.2	49.3	49.4	49.6	50.0	50.7	50.3	50.7
Life expectancy at birth (years)								
Male	68	70	71	72	62	67	65	70
Female	72	75	76	77	67	74	71	76
Adult illiteracy rate (% of people aged 15+)								
Male	14.4	10.3	8.8	7.5	17.4	10.1	9.9	5.7
Female	15.9	11.6	10.1	8.8	22.8	12.1	15.6	8.8
LABOR FORCE PARTICIPATION								
Total labor force (millions)	1	1	1	1	129	220	94	138
Labor force, female (% of total labor force)	30	32	34	35	28	35	34	37
Unemployment								
Total (% of total labor force)	8.4	16.3	14.0	13.3	..	9.2	..	9
Female (% of female labor force)	13.3	21.6	20.1	17.9	..	10.5	..	8.9
EDUCATION ACCESS AND ATTAINMENT								
Net primary school enrollment rate								
Male	88	91	..	98	..	96	..	93
Female	89	92	..	98	..	94	..	94
Progression to grade 5 (% of cohort)								
Male	74	..	..	88	..	..	..	90
Female	79	..	..	89	..	..	..	92
Primary completion rates (% of relevant age group)								
Male	..	88	..	88	..	86	..	92
Female	..	87	..	85	..	93	..	94
	Panama				Latin America &		Upper middle income	

					the Caribbean			
Youth illiteracy Rate (% of people aged 15-24)								
Male	6.1	4.3	3.5	2.9	10.1	5.2	5.0	2.2
Female	7.6	5.2	4.4	3.7	11.1	4.7	8.1	2.8
HEALTH								
Total fertility rate (births per woman)	3.7	3.0	2.7	2.5	4.1	2.6	3.6	2.5
Contraceptive prevalence (% of women aged 15-49)	62	..	..	..	..	..	..	..
Births attended by health staff	..	..	86	90	..	..	..	..
Maternal mortality ratio (per 100,000 live births)	..	..	..	160	..	193	..	67
Child malnutrition prevalence, weight for age (% of children under 5)	16	6	8	..	..	..	..	..
HIV prevalence rate (% of people aged 15-24)								
Male	..	..	..	1.6	..	0.7	..	0.6
Female	..	..	..	1.4	..	0.3	..	0.3

Note: Data in italics refer to most recent data available within the tow years of the year indicated

Source: The World Bank Group, 2002

ANNEX 5: Environment Profile

The General Environment Law of 1998 created the National Environment Authority of the Republic of Panama (ANAM) which is organized to assure a decentralized management through its Regional Administrations, procuring the participation of public and private sectors in the environmental management of the country through the Interinstitutional Environmental System and the Environmental Consultative Commissions.

Among the many environmental problems facing the country, one can highlight an increase in poverty, deterioration in quality of life, an increase in water, soil and air pollution, deforestation, soil erosion and degradation, an increase in solid and toxic waste and a loss of biological diversity. Environmental management of this country is fraught with restrictive factors such as institutional weakness, lack of legal instruments, limited civic participation, a low level of environmental awareness and little environmental culture.

Air quality has been affected by several anthropogenic factors such as: deforestation, forest-fires, inappropriate use of agrochemicals, and an increase of car transport and fuel combustion emissions. In addition population growth and its increasing concentration in urban areas have caused a considerable rise in air. It has been estimated that 90% of urban area emissions come from the transportation sector, while the rest comes from fixed sources. Pesticides, sewage, and pollution from the oil industry cause much of the pollution. The nation's fish resources are threatened by water pollution.

High urban development characterizes the Pacific coast, since approximately 80% of the country's population is located in this area. The greatest source of contamination of Panama Bay is due to the discharges of waste waters and solid wastes discharged by the population into the rivers and coasts.

The rainfall sewage system of most of the urban zones in the country does not have the appropriate capacity to receive and transport the water volume caused by heavy rainfall of most of Panama. In addition, there is a lack of maintenance of sewage entries and drainage obstruction. The limitations of coverage of sewage networks in the urban areas have resulted in the proliferation of septic tanks. A lack of maintenance of these tanks also generates problems that contribute to the degradation of the urban environment.

The increase in the demand of goods and services that need abundant water generates important pressure on the availability and quality of this resource. Population concentration and the country's economic activities in the Pacific watersheds influence the deforestation process, the trend of misuse of land and an accelerated erosion and sedimentation and contamination of water sources as well as an alteration of the hydrological regime of watersheds.

93% of the urban areas and 73% of the rural areas have potable water service coverage. However, in many urban sectors water supply comes from concessions granted. The water from concessions goes mainly to agriculture (47.5%), water dwelling (22%), industrial (19.2%), hydroelectric (5.4%), household (4.4%) and tourism (1.5%) purposes.

The government develops environmental policies in order to tackle these problems.

The National Direction for Environmental Quality Protection and the Regional Administrations of ANAM have requested several companies a total of 124 Environmental Management Programs at the national level, as a result of complaints submitted against contamination caused by waste waters, atmosphere emissions, noise, smells and harmful effects on the population's health, among other causes.

ANAM, jointly with the National Secretariat of Science, Technology and Innovation (SENACYT), has prepared a National Strategic Plan 2003- 2006, that promotes the development of national capacity in science and technology, and research and disclosure of information related to biodiversity.

The Ministry of Education has played a fundamental role in the application of first level environmental education learning guides, for first to sixth grades, and the maritime book in the country's public schools. This education effort has been supported by ANAM with its publications and by providing training for 1,713 teachers on the content of these guides.

Trainings on bio diversity issues provided by ANAM have been reinforced through the implementation of different instruments such as: the Environmental Education Strategy for the Mesoamerican Biological Corridor of the Panama Atlantic Coast; the formulation of the Formal Environmental Education Strategy in 2003, in coordination with the Ministry of Education, the elaboration of the Non-Formal Environmental Education Strategic Plan.

Decentralization is another component of this policy and it is accompanied by a deconcentration process in where the local governments, grass root organizations and entrepreneurs, among others will receive the faculties to participate in the management and use of natural and plantation forests as well as in other activities that are linked to the forestry sector. As a compliment to this objective, territorial reordering (zoning) will be propitiated according to the country level.

Significant legal progress was made during the period from 1999 to 2004, specifically regarding the evaluation of Environmental Impact Studies.

ANNEXE 6 : Secteur maritime. Profil du Panama**Flotte marchande**

Tonnage flotte marchande (dwt) (armateurs/compagnies du pays):	15,4 millions de tonnes en 2005 (-11% par rapport à 2004) % <i>flotte mondiale (résidents)</i> : 2%
Tonnage flotte marchande battant pavillon du pays (dwt): (pourcentage sur la flotte totale)	195,2 millions de tonnes en 2005 (+4% par rapport à 2004) 1 ^{ère} flotte mondiale par pavillon % <i>flotte mondiale</i> : 22%
Nombre de navires (de 500 tonnes GT et plus) et age moyen	667 (25 ans en moyenne)
Nombre de navires battant pavillon du pays : (de 500 tonnes GT et plus) et age moyen	5,472 (17 ans en moyenne)
Paris MoU, liste (blanche/grise/noire) : (nombre de détentions/nombre d'inspections)	Liste noire 462 détentions/5,954 inspections (8%)
Nombre de navires en commande /construction (et type) : (prochaines 5 années)	+64
Nombre de navires éliminés (démolis/perdus) de la flotte : (5 dernières années)	-184

Drapeau(x) et caractéristiques Pavillon Panama (5,472 navires enregistrés)

Types de navires flotte, armateurs pays (données 2005)

Type de navire	Nombre de navires
Tankers	129
Bulk carriers	165
General cargo	233
Containerships	6
Passagers/Ro-ro	65
Autres	69

Equipages, nombre de marins

Ressortissants du pays (offre de marins)	-
Officiers	-
Matelots (<i>ratings</i>)	-
Marins employés dans la flotte sous pavillon du pays (côté demande)	109.000
Officiers	49.000
Matelots (<i>ratings</i>)	60.000
Marins employés dans la flotte armateurs pays (demande)	13.500
Officiers	6.100
Matelots (<i>ratings</i>)	7.400
Nombre et proportion de marins pays tiers et principale origine (flotte totale):	-
Nombre et localisation des écoles maritimes (officiers) promotions/an, évolution-tendance	n.d.
Nombre d'académies, localisation (matelots) promotions/an, évolution-tendance	n.d.

Ports marchands : Nombre total de ports marchands dans le pays: 23

Principaux Ports marchands	Tonnage total	Trafic de conteneurs	Hydrocarbures	Passagers
Cristóbal	600.000 tonnes	66.000 TEU	-	-
Colón	380.000 tonnes	41.000 TEU	-	-
Balboa	119.000 tonnes	17.000 TEU	-	-
La Palma	51.000 tonnes			-
Charco Azul	-	-	Oil terminal	-
Taboguilla Island Terminal	-	-	Fuel storage	-

Principales compagnies maritimes

Compagnie	Secteur(s)	Tonnage flotte	Nombre de navires	Rang mondial dans secteur
Avin International (résidence Grèce)	Tankers	-	24	-
Carnival Corp. (résidence USA)	Croisières	-	20	-
Golden Union Shipping (résidence Grèce)	Bulk carriers	-	14	-
-El Salam Maritime Transport (résidence Egypte)	Passagers/ro-ro/cargo	-	14	-
Seabulk Shipping (résidence Grèce)	Cement carriers	-	9	-
Diana Shipping Services (résidence Grèce)	Bulk carriers	-	7	-
Elmar Shipping (résidence Grèce)	Bulk carriers, general cargo	-	7	-
Enesel (résidence Grèce)	Bulk carriers, tankers	-	7	-
Hellenic Star Shipping (résidence Grèce)	Bulk carriers	-	7	-
Common Progress (résidence Grèce)	Bulk carriers	-	5	-
Marítima de Panamá, S.A.	Tankers	-	4	-

Un grand nombre de compagnies maritimes du Panama sont des « one-ship companies ».

Ratification Conventions internationales (OMI, OIT)

Nombre total de conventions OMI ratifiées par le Panama: 23

Conventions OMI les plus importantes	Ratifications faites
SOLAS Convention 74	X
SOLAS Protocole 78	X
SOLAS Protocole 88	-
STCW Convention 78	X
STCW-F Convention 95	-
MARPOL 73/78 (Annexe I/II)	X
MARPOL 73/78 Annexe III	X
MARPOL 73/78 Annexe IV	X
MARPOL 73/78 Annexe V	X
MARPOL Protocole 97 (Annexe VI)	X
FIPOL : CLC Protocole 92	X
FIPOL : FUND Protocole 92	X
PAL Protocole 02	-
LLMC Convention 76	-
LLMC Protocole 96	-
SUA Convention 88	X
SUA Protocole 88	X
FAL : Facilitation Convention 65	-

Nombre total de conventions OIT ratifiées par le Panama: 74

Conventions OIT les plus importantes	Ratifications faites
C 55 - Responsabilités armateurs, 1936	X
C 108 – Documents d’identité, 1958	X
C 138 – Age minimum marins, 1973	X
C 147 – Normes minima, 1976	-
C 164 – Protection de la santé, 1987	-
C 165 – Sécurité sociale, 1987	-
C 166 – Rapatriement, 1987	-
C 178 – Inspection du travail, 1996	-
C 179 – Recrutement, 1996	-
C 180 – Durée de travail et effectifs, 1996	-

Autres secteurs dans le cluster maritime (caractéristiques) ou domaines d’intérêt

A part le registre et pavillon panaméen, le Canal de Panama a une importance capitale pour l’économie nationale, qui est surtout centrée dans le secteur des services. Le Canal, de 82 km de long, compte avec un transit de 13.000 navires par an, ce qui équivaut à près de 200 millions de tonnes de marchandises.

Principales nouvelles maritimes derniers trimestres (source : Vademecum Maritime)

- Panama Canal tolls may quadruple; canal’s tolls may have to increase nearly four-fold to fund its planned expansion, move that could reduce its competitiveness (LR-F, 13.7.05)
- Alemán keeps top Panama Canal role; the Panama government opts for stability during a crucial phase for the Canal authority, leaves Alemán for another seven years (LL, 18.8.05)

- Panama rate hikes boost Suez; Panama Canal Authority's controversial boxship rate hikes prompt carriers to reassess viability of routes from Asia to US via Suez (LR-F, 4.5.05)
- Container lines in campaign to scale back Panama Canal transit fee increase; industry groups aim to deflect impact, as ICS claims potential 69% price increase (LL, 7.1.05)
- Panama Canal raises toll fees by 58%; Canal Authority announces increase in passage fees from \$34/container to \$54 from 1 May, despite foreign protests (Sources Say, 17.2.05)
- The Panama Canal posts best safety record; the Panama Canal Authority beats its previous safety record, with only ten accidents for FY 2004 (LR-F, 19.10.04)
- Rumsfeld looks at Panama Canal security; US Secretary of Defence meets with President Torrijos about initiatives to protect waterway (LL, 16.11.04)
- Panama unveils new pricing system; the Panama Canal Authority to revamp its pricing system for full container ships and other vessels with on-deck capacity (LR-F, 7.12.04)
- Panama flag faces wave of defections in ISPS row; Japanese owners consider moving away after many ships failed to meet July 1 code deadline (LL, 20.7.04)
- Panama president-elect Martin Torrijos designates his second vice president, Ruben Arosemena, as Panama Maritime Authority administrator (LR-F, 16.8.04)
- Canal's fate rests with new Panama president; Martin Torrijos will oversee decision on whether to forge ahead with a billion-dollar expansion of the Panama Canal (LL, 4.5.04)
- The Panama Canal prepares its enlargement in order to adapt to the boom in the world maritime traffic; Europeans well placed to win a \$10M work contract (Le Monde, 5.5.04)
- Lane closures threaten Panama Canal delays; Panama Canal Authority warns ship owners to prepare for delays due to a series of lane closures planned for the summer (LL, 14.6.04)
- Panama ports to join CSI; Panama's ports of Manzanillo, Colon, Balboa and Cristóbal prepare to join the US Container Security Initiative (LR-F, 23.1.04)

ANEXO 7: Cooperación internacional con Panamá

➤ La cooperación del Sistema de las Naciones Unidas.

El sistema de las Naciones Unidas en Panamá está constituido por las siguientes agencias que forman su Grupo de Coordinación: CEPAL, UNIFEM, FAO, OPS, OIT, UNESCO, PMA, PNUD, UNICEF, ONUDI, UNFPA, CINUP. Las siguientes son las áreas de cooperación que identifica el Sistema de las Naciones Unidas en Panamá¹ para el periodo 2002-2006.

- Protección del derecho a la vida: La condición básica de la existencia
- Protección de los derechos económicos, sociales y culturales: Las condiciones básicas del bienestar.
- Protección de los derechos civiles y políticos: Las condiciones básicas de convivencia.
- Atención Humanitaria.

El trabajo del SNU se articula sobre los siguientes compromisos:

- **Compromiso contra la pobreza:** El SNU ofrece su apoyo con estrategias específicas para lograr superar la pobreza rural no indígena, la pobreza urbana y la pobreza indígena, al igual que para facilitar el diseño de una política dirigida a mejorar la distribución del ingreso en Panamá y la elaboración de un conjunto de indicadores que permitan hacer un buen seguimiento de su evolución.
- **Compromiso por la gobernabilidad:** El SNU ofrece su apoyo para facilitar que el país continúe con la implantación de una estructura gubernamental más moderna, eficaz y eficiente; promover la transparencia y la rendición de cuentas de la gestión pública y contribuir al avance de la descentralización.
- **Compromiso por el crecimiento económico:** Para la recuperación del crecimiento económico es necesario avanzar en la garantía de derechos para toda la población, incluida una mejoría sustancial en la distribución del ingreso, una mejor incorporación de los trabajadores asalariados al empleo y un mayor acceso de los pequeños empresarios a los recursos productivos urbanos y rurales. Se requiere también una mejor integración de los sectores más modernos y dinámicos con las actividades industriales urbanas y agrícolas rurales.

El Sistema de las Naciones Unidas se encuentra actualmente preparando su evaluación conjunta de país² que se concluirá a mediados de 2005. Con este documento, las agencias podrán iniciar la elaboración de su marco de cooperación para el periodo 2007-2013, coincidiendo con el periodo de la UE.

En los últimos años, las agencias del SNU funcionaron con sus presupuestos mínimos de operación prestando asistencia técnica en sus ámbitos de competencia. En el cuadro siguiente se indican los montos disponibles de cooperación por agencia. En el caso del PNUD, debe aclararse que dentro de sus montos de cooperación se incluye la administración de proyectos del BID y del Banco Mundial, ya contabilizados en esos organismos y los fondos que canalizan y administran y provienen del Estado panameño.

¹ Tomado de: Sistema de las Naciones Unidas en Panamá. *Derechos y desarrollo humano. Marco de cooperación de las Naciones Unidas para el Desarrollo de Panamá 2002-2006*. Panamá, SNU, 2002.

² Country Common Assesment (CCA).

Recursos de las agencias del SNU 2004-2006 (en milies de US\$)

Agencia	2004	2005	2006
Centro de Información de las Naciones Unidas en Panamá (CINUP)	60,0	60,0	60,0
Organización de las Naciones Unidas para la agricultura y la Alimentación (FAO)	450,0	450,0	450,0
Programa de las Naciones Unidas para el Desarrollo (PNUD)	114.500,0	120.176,0	116.600,0
Fondo de las Naciones Unidas para la Infancia (UNICEF)	700,0	1.000,0	950,0
Fondo de las Naciones Unidas para Actividades de Población (FNUAP)	300,5	300,5	300,5
Alto Comisionado de las Naciones Unidas para Refugiados (ACNUR)	575,0	575,0	Nd

Fuente: PNUD. Informe de Desarrollo Humano 2002. Panamá, PNUD, 2003. Página 73. Noticias de ACNUR, abril de 2004.

Nota: No hay datos disponibles para CEPAL, OCHA, OPS/OMS, OIT, ONUDI, PMA, UNESCO y UNIFEM, también presentes en el país.

➤ Banco Mundial

El Banco Mundial desarrolla actividades con una cartera que alcanza cerca de 300 millones de dólares de los EEUU. Desde principios de la década de 1990 el Banco Mundial ha apoyado los esfuerzos de reforma normativa y reducción de la deuda del país. Entre los principales sectores de intervención figuran la sanidad, la educación, el transporte, la administración de las tierras y los recursos naturales.

Proyectos del Banco Mundial vigentes en Panamá

Nombre del proyecto	Fecha de aprobación	Monto
Asistencia de la reforma de las políticas públicas	31.07.2001	10,5
Proyecto de administración de tierras	16.01.2001	47,9
Educación básica	07.09.2000	35,0
San Lorenzo: Protección efectiva con participación comunal	18.06.1998	4,3
Proyecto piloto de reforma al sector salud	16.07.1998	Nd.
Corredor Biológico centroamericano	23.06.1998	Nd.

Fuente: Banco Mundial, 2005.

➤ El Fondo Internacional de Desarrollo Agrícola (FIDA)

El Fondo Internacional de Desarrollo Agrícola (FIDA) ejecuta actualmente tres proyectos de desarrollo en Panamá. Los tres dirigidas al combate de la pobreza rural mediante acciones focalizadas en el incremento de los ingresos de los más pobres y la diversificación de su economía. El FIDA trabaja en las áreas donde las asimetrías estructurales de la sociedad panameña son más evidentes, notablemente en la comarca Ngöbe-Buglé, donde inicia actualmente un proyecto cuya ejecución coincidirá con el proyecto SOLEDUSA y cuyos componentes son complementarios con este.

Proyectos de desarrollo con fondos del FIDA en Panamá

Nombre del proyecto	Fecha aprobación	Fecha finalización	Monto
Finalizados			
Crédito agrícola	17.12.1981	31.07.1986	8,5
Desarrollo rural en comunidades guaymíes	13.12.1983	31.07.1989	9,7
Crédito agrícola II	05.12.1985	30.06.1997	6,0
Desarrollo rural en comunidades ngöbe	07.04.1993	31.03.2003	7,9
En curso			
Desarrollo sostenible y protección ambiental Darién	14.09.1995	30.11.2004	7,9
Desarrollo sostenible en Coclé, Colón y Panamá oeste	04.12.1997	30.06.2004	12,2
Desarrollo rural sostenible en Ngöbe.Buglé	06.12.2001	30.09.2011	25,0

Fuente: FIDA, 2004.

Entre los proyectos en curso, Coclé, Colón y Panamá oeste continuará durante cerca de 24 meses hasta 2006 debido a un sustancial atraso en su ejecución que obligará a reprogramarlo; Darién mantendrá operaciones durante un periodo similar para la ejecución por agentes locales de un programa de comercialización cuyo financiamiento proviene de un remanente no ejecutado. La experiencia del FIDA es significativa en la lucha contra la pobreza rural. No obstante, de su experiencia resalta la inexistencia de un entorno institucional dirigido a ese fin y la falta de políticas que superen el asistencialismo. Para el FIDA, los procesos que deben emprenderse se sitúan en un ámbito temporal de cerca de una década por lo menos. Es decir, superando la coyuntura de un quinquenio de gobierno y deben dirigirse a pueblos indígenas y negros incluyendo acciones en turismo sostenible, cultura, ambiente y becas de estudio.

➤ **La Organización de las Naciones Unidas para la Agricultura y la Alimentación (FAO)**

La FAO mantiene un limitado programa de cooperación técnica con la república de Panamá con los siguientes proyectos, todos en áreas rurales:

- Apoyo a la preparación y puesta en marcha del Programa de Manejo Sostenible de las Áreas Rurales de la Cuenca Hidrográfica del Canal de Panamá. Año 2004 con un monto de 70.760US\$.
- Asistencia especial para la contratación inmediata de expertos nacionales. Periodo 2002–2004 con un monto de 12.300 US\$.
- Multiplicación Asistida del Rebaño Caprino para el periodo 2003-2005 y con un monto de 303.000 US\$.
- Mejoramiento de prácticas post-cosecha del producto pesquero del embalse la Yeguada para los años entre 2004 y 2005 y un costo de 7.000 US\$.

Aunque pequeños en relación con la magnitud de los problemas del agro panameño y la profundidad de su pobreza rural, los proyectos de la FAO constituyen experiencias de valor al momento de diseñar programas específicos.

➤ **El Programa de las Naciones Unidas para el Desarrollo (PNUD)**

El PNUD trabaja fundamentalmente en asistencia al desarrollo y administración de programas de las instituciones financieras internacionales como el Banco Mundial. En Panamá, su intervención directa y específica es limitada pero incide sobre temáticas relevantes para la reducción de la pobreza, tanto en el nivel de la experiencia en zonas de exclusión social como de la preparación de instrumentos técnicos necesarios para las políticas de Estado.

Programas y proyectos del PNUD en Panamá³

Nombre	Objetivo principal	Beneficiarios	Financiamiento	Región
Desarrollo Rural de las Comunidades Marginadas (MIDA)	Incrementar la disponibilidad de alimentos de manera sostenida y permanente con el uso de tecnologías apropiadas.	Comunidades rurales marginadas	PNUD	Panamá, República de Panamá.
Desarrollo Rural Sostenible del Darién (MIDA)	Mejorar los sistemas productivos a través de la extensión agrícola de técnicas sostenibles, formación de estructuras organizativas para la producción, comercialización, gestión participativa de recursos financieros, incorporación de la mujer en la producción y el manejo de recursos naturales.	Provincia de Darién	Presupuesto Total y otras Agencias Participantes FIDA-Gobierno - PNUD	Panamá, República de Panamá
Apoyo a la Unidad de Análisis Cartográfico En Panamá (MIDA)	Fortalecer la capacidad para monitorear las condiciones de seguridad alimentaria mediante la instalación de una Unidad de Análisis Cartográfico.	República de Panamá	Gobierno con participación del PNUD	República de Panamá
Indicadores de Vivienda, de Desarrollo y de Medio Ambiente Urbano CNUAH (HABITAT)-ALC	Contribuir en el seguimiento de las inversiones públicas y privadas en el sector vivienda, desarrollo urbano y medio ambiente en la República de Panamá.	República de Panamá	SPPD y los Costos Compartido del Marco de Cooperación	República de Panamá
Comunidades Sostenibles	Erradicar la pobreza a través de la capacitación de autogestión en actividades productivas en tres distritos: Portobelo, La Pintada y Soná.	Distritos: Portobelo, La Pintada y Soná	Presupuesto Total y PNUD	Distritos: Portobelo, La Pintada y Soná

Fuente: PNUD, 2004.

➤ El Banco Interamericano de Desarrollo

El Banco Interamericano de Desarrollo (BID) es el principal socio financiero de Panamá, con una cartera de préstamos que aumentó considerablemente en la década de 1990. Entre 1996 y 1998 el BID aprobó 16 préstamos por un valor promedio superior a 250 millones de USD anuales. En 1999 se aprobaron otros dos préstamos de 65 millones de USD. Entre 2000 y 2003, el BID aprobó 11 proyectos más por casi 300 millones de US\$. El Banco se ha mostrado activo en todos los ámbitos, incluidos los de energía, transporte, infraestructura básica, vivienda, agricultura, sanidad, educación, finanzas, justicia, turismo y medio ambiente.

Préstamos aprobados por el Banco Interamericano de Desarrollo para Panamá

Fecha de aprobación	NOMBRE DEL PROYECTO	Monto (millones de dólares de los EEUU)
12 2003	Desarrollo municipal y apoyo a la descentralización	7,8
09 2003	Renovación urbana y reducción de la pobreza en Colón	8,5

³ Los proyectos enunciados en el cuadro están vigentes y constituyen las intervenciones más relevantes de esa agencia. Sus registros de datos no incluyen los montos de inversión.

07 2003	Mejoramiento del corredor pacífico del PPP	37,0
12 2002	Programa multifase de desarrollo sostenible de Bocas del Toro	27,0
11 2002	Fortalecimiento y modernización de la gestión económica y fiscal	10,0
10 2002	Administración y regularización de tierras	27,0
06 2002	Apoyo a la competitividad	10,0
05 2002	Sistema de formación y empleo en Panamá	8,4
09 2001	Transformación institucional del sector salud	98,0
10 2000	Implementación de un centro de ciencia, tecnología e innovación	3,3
05 2000	Proyecto energético la Chorrera (sector privado)	61,8
11 1999	Reducción de la pobreza y desarrollo comunitario	48,8
11 1999	Programa nacional de ambiente	15,8
12 1998	Programa de desarrollo sostenible de Darién	70,4
10 1998	Programa de apoyo al sector turismo	2,5
07 1998	Administración de carreteras y rehabilitación de caminos locales	156,0
07 1998	Expansión del sistema de transmisión eléctrica	79,0
06 1998	Apoyo a la competitividad	14,2
04 1998	Mejoramiento del sistema de justicia	18,9
12 1997	Sector financiero	10,1
07 1997	Agua y saneamiento	45,0
06 1997	Desarrollo de la educación	Nd.
04 1997	Modernización económica y administración fiscal	11,2
11 1996	Reforma al sector de infraestructura básica	123,3
04 1996	Programa de vivienda	41,7
03 1996	Modernización de los servicios agrícolas	33,6
03 1996	Modernización de la legislación	2,8
12 1995	Reducción de la deuda externa y del servicio de la deuda	30,0
12 1994	Programa de inversión social	30,0
12 1993	Reforma del sistema de atención de salud	42,0
08 1993	Estudios de la región interoceánica	8,4
09 1993	Rehabilitación de la red vial	180,0
03 2004	Disposición de aguas servidas en Panamá	1,5
12 2002	Apoyo al desarrollo de habilidades para el trabajo	1,4
06 2001	Tecnología para negocios	Nd.
12 2000	Instrumentos para la administración ambiental	1,2
11 2000	Desarrollo de la cuenca del canal	1,0
11 2000	Apoyo a la privatización de la región interoceánica	Nd.
12 1998	Fortalecimiento del sistema anti-monopolio	0,4
11 1998	Estrategia y plan de negocios para la Ciudad del Saber	Nd.
07 1998	Programa de desarrollo sostenible de Darién	Nd.
12 1997	Fortalecimiento de la comisión de seguridad	Nd.
10 1997	Proyecto piloto para un sistema de empleo y capacitación en base a demanda	2,7
01 1997	Servicios de apoyo a los agronegocios	Nd.
09 1996	Desarrollo de áreas revertidas con participación del sector privado	Nd.
02 1996	Prefactibilidad del proyecto geotérmico del Valle de Antón	1,4
05 1995	CACPYMER and FUNDES	Nd.

El BID cubre casi la totalidad de las áreas de desarrollo relevantes en Panamá. Su papel en el fortalecimiento de las funciones institucionales es de gran importancia y actualmente colabora con un plan piloto de apoyo a la gestión municipal en el manejo administrativo. Destaca también su proyecto para el fortalecimiento y modernización de la gestión económica y fiscal, de gran relevancia ahora que se han iniciado las reformas en la estructura fiscal. También debe resaltarse su apoyo al proceso de regularización de tierras que se complementa con los esfuerzos del Banco Mundial, incidiendo directamente la seguridad jurídica de la tierra, uno de los grandes obstáculos para el desarrollo

nacional y los derechos territoriales indígenas. El universo plural de la intervención del BID establece la necesidad de una estrecha coordinación con esta institución en el momento de emprender acciones de cooperación específicas.

➤ **La Agencia de Cooperación Internacional del Japón (JICA)**

Dentro del ámbito de la cooperación que recibe Panamá para su desarrollo, la que ofrece el gobierno de Japón es considerada de importancia. Esta se canaliza principalmente a través de la Agencia de Cooperación Internacional del Japón (JICA) que es responsable de los estudios y la ejecución de la ayuda externa y constituye una parte importante de la Asistencia Oficial para el Desarrollo de Japón. En Panamá, la agencia fue establecida en 1988. Las áreas de cooperación prioritarias, definidas de común acuerdo con el gobierno, son las siguientes:

- Disminución de la pobreza y las disparidades regionales. Bajo el objetivo de elevar la capacidad económica de la población pobre se lleva a cabo un proyecto de mejoramiento del ingreso de la población pobre con actividades de apoyo a la pesca artesanal, la artesanía y la agricultura, entre otras. Bajo el objetivo de mejorar los servicios públicos básicos, un proyecto de mejoramiento de la atención primaria de salud.
- Apoyo al crecimiento económico sustentable. En este campo, en el objetivo de fomento de las industrias con alta competitividad internacional, se ejecuta un programa de fortalecimiento de la industria que un apoyo en tecnología de la información coordinado con SENACYT, entre otras instituciones.
- Conservación del medio ambiente. En esta área, la JICA ejecuta tres programas: conservación del medio ambiente natural, reducción de la contaminación del agua y control de desechos sólidos.
- Fortalecimiento de las actividades del canal y las áreas revertidas. En este ámbito, se lleva a cabo un programa de apoyo al canal, puertos y áreas revertidas mediante asistencia técnica para el manejo y administración de puertos.
- Cooperación regional en prevención de desastres naturales. En esta área, existe un programa centroamericano de disminución de desastres naturales.

La cooperación japonesa trabaja bajo la modalidad de proyectos, estudios para el desarrollo y cooperación financiera no reembolsable. Hasta marzo de 2002, su magnitud, desde 1988, era de 192,4 millones de dólares estadounidenses, lo que informa de su importancia.

Cooperación de la JICA hacia Panamá (Acumulada hasta marzo de 2002)

Programa	Monto (miles de US\$)
Becarios	22.682
Expertos	53.194
Equipo	34.551
Voluntarios jóvenes	24.525
Voluntarios senior	2.546
Misiones	53.182
Otros	1.747
Total	192.427

Fuente: JICA, 2004.

➤ **Agencia de los Estados Unidos de América para el Desarrollo Internacional (USAID)**

La USAID trabaja en estrecha cooperación con organizaciones voluntarias privadas, organizaciones locales, universidades, empresas privadas, organismos internacionales, otros gobiernos y otros organismos gubernamentales de los Estados Unidos. En Panamá, la USAID ha mantenido una larga presencia como agencia de cooperación, aunque actualmente su actividad es limitada. Su programa actual de país cubre el periodo 2004-2008 y tiene un monto asignado de 49 millones de US\$ en dos grandes programas:

- **Gobernando con justicia.** Este programa pretende una gobernabilidad más responsable y transparente. Sus resultados intermedios esperados son el fortalecimiento del Estado de Derecho y la mayor transparencia de las acciones gubernamentales. El monto asignado a este programa es US\$ 19.000.000,00. Este programa continúa acciones anteriores en el ámbito de la justicia cuyo éxito fue limitado en gran parte debido a la resistencia del sistema judicial. Según USAID, la organización del sistema judicial panameño es compleja, involucra numerosos actores y adolece de problemas. La corrupción es aceptada por parte del sector privado como un costo de negocios. Los inversionistas foráneos perciben el sistema legal como si funcionara a favor de los nacionales. El sistema judicial es lento y difícil, además está estancado por la cantidad de casos comerciales y civiles que acumula. Adicionalmente, la influencia corruptora del narcotráfico debilita las instituciones locales, distorsiona la economía y desalienta las inversiones legítimas. De allí la importancia de acciones en este sector.
- **Libertad económica: Economías abiertas y diversificadas en expansión.** Este programa tiene como resultados intermedios los siguientes: Leyes, políticas y regulaciones que promuevan el comercio y la inversión; empresas privadas más competitivas y orientadas al mercado; acceso más amplio a los servicios financieros; Mejoramiento de la gestión y conservación de cuencas críticas. El monto de este programa es US\$ 32.250.000,00.

Adicionalmente, USAID destina US\$ 2.250.000,00 para incrementar la capacidad del país en comercio. USAID también financia un programa de menor magnitud (Invirtiendo en la gente: Personas más saludables y educadas) al mejoramiento de las inversiones del sector social, el incremento del acceso y mejoramiento de la calidad de la educación básica, el incremento en el uso de los servicios de salud reproductiva y cuidados materno-infantil y la contención del SIDA y otras enfermedades infecciosas.

Además aún continúan actividades del periodo anterior que no han finalizado como es el proyecto de desarrollo comunitario en la región del Darién, que sirve como zona de protección contra los efectos de la violencia y las actividades del narcotráfico. La USAID aporta al proyecto 5 millones de dólares, en colaboración con ACDI/VOCA. El principal asociado para el proyecto en Panamá es la Fundación Pro Niños del Darién. El proyecto complementa un préstamo de 80 millones de dólares del Banco Interamericano de Desarrollo (BID) para la construcción de carreteras y el desarrollo comunitario. USAID además considera la extensión de su programa de gestión de cuencas a todo el país. Anteriormente se limitaba a la cuenca del canal.

Resumen

Sector	BID	BM	SNU	UE	España	USAID
Infraestructura	Mejoramiento corredor PPP: 37,0					
Economía	Apoyo competitividad 10,0 Formación y empleo 8,4			Tecnoparque: 10,0		Libertad económica: 32,25 Comercio: 2,25
Salud	Transformación sector: 98,0	Reforma sector: Nd.				
Educación		Educación básica: 35,0				
Ambiente		Corredor biológico CA: Nd.			Manejo de desechos sólidos: Nd Conservación y turismo: 0,55	
Agrario	Regularización de tierras 27,0	Administración tierras: 47,9				
Indígenas				SOLEDUSA: 11,0 Producción agrícola comarca ngöbe: 0,9	Derecho indígena: 0,2 Conservación y turismo: 0,55	
Refugiados			ACNUR: 0,57			
Derechos humanos				Programa plurianual: 0,8		
Desarrollo rural, agropecuario y forestal	Desarrollo Bocas del Toro: 27,0		FAO: 0,45/año FIDA Darién: 7,9 FIDA Coclé: 12,2 FIDA ngöbe: 25,0 PNUD Des. Rural marginal: Nd PNUD D. Rural Darién: Nd. PNUD Monitoreo de Seg. Alimentaria PNUD Comunidades sostenibles: Nd	SOLEDUSA Producción agrícola comarca ngöbe: 0,9	Agricultura urbana y periurbana: Nd	Desarrollo comunitario en Darién: 5,0
Sector	BID	BM	SNU	UE	España	USAID

Modernización y Descentralización	Desarrollo Municipal: 7,8 Modernización gestión fiscal: 10,0	Asistencia reformas: 10,5 San Lorenzo; 4,3			Gestión municipal: Nd Capacitación municipal Nd	
Desarrollo urbano	Renovación urbana Colón: 8,5		PNUD: Indicadores Nd			
Justicia				Sistema penitenciario: 5,0 Modernización sector: 8,4	Derecho indígena: 0,2	Gobernando con justicia: 19,0
Turismo					Microempresas: Nd Portobelo: Nd Conservación y turismo: 0,55	

Puede observarse que algunas áreas de cooperación como el desarrollo rural, agropecuario y forestal, presentan un espectro mayor de intervenciones. No obstante, aparte del FIDA, la UE

Y el BID ubicados en regiones específicas y contiguas, no parece haber grandes posibilidades de impacto. Aún con intervenciones de esa magnitud, los resultados podrían ser irrelevantes a largo plazo si estas intervenciones no se enmarcan en políticas sectoriales. El Ministerio de Desarrollo Agropecuario ha formulado una propuesta de política que puede ser la base para lineamientos de largo plazo. Sin embargo, esta no es oficial y arriesga problemas de legitimación al no ser ni étnica ni genéricamente sensible. Estas intervenciones a nivel sectorial (economía de las áreas rurales) son de relevancia considerando las características ya descritas del campo panameño. Se complementan con los procesos de administración de tierras que financian tanto el BM como el BID. Este es un tema de medular relevancia si se visualiza desde el punto de vista de la gestión multicultural de tierras y territorios⁴. Desde esa óptica, puede lucharse contra la pobreza y las exclusiones impulsando, bajo una perspectiva de ordenamiento territorial, nuevas actividades económicas que generen desarrollo con equidad donde no lo hay.

Destaca también que, a pesar de los problemas, persiste una voluntad de mejorar el sistema de administración de justicia (AECI, USAID, UE). Aparte de la experiencia española que está generando bases para el reconocimiento y promoción del derecho indígena, las otras operaciones se desenvuelven en un ambiente de alta resistencia al cambio.

La cooperación internacional también ha seleccionado un sector estratégico y de medular importancia para el desarrollo nacional: la modernización del Estado y la descentralización de la gestión pública. Los resultados son evaluados, hasta ahora, como positivos. La experiencia de AECI-DEMUCA, el BM y el BID indica claramente que existe interés y voluntad a todos los niveles. No obstante, los gobiernos locales aún no cuentan con mecanismos que les permitan disponer de fondos para invertir en el desarrollo de sus comunidades. El proceso de reforma fiscal iniciado con la ley recientemente aprobada puede ser el inicio de una secuencia de cambios que podrá incrementar el impacto de intervenir en ese sector.

⁴ El documento Orientations de l'UE visant à soutenir l'élaboration de la politique foncière et les processus de réforme de cette politique dans les pays en développement. [SEC(2004) 1289]. Bruselas, CE, 2004. contiene los lineamientos de una posible cooperación en este ámbito.

Estimación de fondos de crédito externo que se ejecutan por año (en miles de dólares de los EEUU)

Agencia	2004	2005	2006
Banco Mundial	11.988	12.582	12.208
Banco Interamericano de Desarrollo	30.228	31.726	30.782
Total	42.216	44.309	42.990

Fuente: PNUD. Informe de Desarrollo Humano 2002. Panamá, PNUD, 2003. Página 73.

Nota: Estos montos no significan créditos nuevos sino desembolsos de créditos aprobados. En el caso del BM, el último se aprobó en 2001.

ANEXO 8: Cooperación de los Estados Miembros de la UE

Ninguno de los Estados miembros de la UE considera Panamá un país prioritario en términos de ayuda y sólo España mantiene con dicho país un importante programa de cooperación bilateral. Francia desarrolla algunas actividades científicas y culturales, Alemania mantiene asistencia técnica en gestión de riesgos ambientales.

La cooperación española con Panamá es la más importante.

Programas de la V Comisión Mixta Hispana-Panameña

1) Programas financiados por el Fondo mixto hispano-panameño

a) Programa de modernización institucional y reforma del Estado

- proyecto de fortalecimiento y modernización del sistema de administración de justicia
- proyecto de mejora de la seguridad ciudadana
- proyecto de fortalecimiento de la capacidad de gestión de la administración pública
- proyecto de actuación integral para víctimas de violencia de género
- proyecto de fortalecimiento de los gobiernos locales

b) Programa indígena

- proyecto de educación bilingüe intercultural en Kuna Yala
- proyecto de promoción de la salud en Kuna Yala
- proyecto de gestión ambiental de la comarca de Kuna Yala
- proyecto de apoyo al plan nacional de desarrollo de los pueblos indígenas de Panamá

c) Programa de apoyo al menor en riesgo social

- proyecto de mejora de la intervención con menores en riesgo social y adolescentes en conflicto con la ley
- proyecto de discapacitados

d) Programa de apoyo al desarrollo del sector rural y pesquero

- proyecto de seguridad alimentaria
- proyecto establecimiento de una red de intercambio de semillas
- proyecto de apoyo a la agroindustria rural, la pesca artesanal y mejora de los procesos de comercialización
- proyecto de desarrollo integral de la costa debajo de Colón

2) Programas financiados por íntegramente por la Agencia Española de Cooperación Internacional (AECI)

a) Programa de preservación del patrimonio

- proyecto de conservación de Panamá viejo

- proyecto de escuela taller de Colón

- proyecto de escuela taller de Panamá

b) Programa de cooperación regional con Centroamérica

- proyecto de mejora del sistema educativo

- proyecto de formación ocupacional e inserción laboral

c) Fondo para la concesión de microcréditos

- programa de microfinanzas para Panamá

d) Programa de becas

- programa de becas MAEC-AECI

- programa de cooperación interuniversitaria

- programa de becas de la Fundación Carolina

- programa de formación dirigido a funcionarios públicos

- programa de cursos y talleres en los centros iberoamericanos de formación de la AECI

PROGRAMAS Y PROYECTOS DE LA AECI EN PANAMÁ

Nombre de proyecto y/o programa	Región	Beneficiarios	Fuente de financiamiento	Monto (\$US)
1. Derecho Indígena, Defensa Legal y Fortalecimiento Organizativo de Los Congresos Generales de los Pueblos Indígenas de Panamá	Panamá, República de Panamá.	Siete Pueblos Indígenas de Panamá (Ngobe-Bugle, Kuna, Emberá-Wounaan, Bri-Bri, Naso)	-Agencia Española de Cooperación Internacional. -Ministerio de Comercio y Finanzas. -Fondo de Inversión Social.	\$200,000.00
2. Conservación de los Recursos Naturales por medio de un Plan Estratégico de Desarrollo de turismo ecológico-cultural en las comunidades Indígenas de Panamá	Panamá, República de Panamá	Siete Pueblos Indígenas de Panamá (Ngobe-Bugle, Kuna, Emberá-Wounaan, Bri-Bri, Naso)	-Agencia Española de Cooperación Internacional -Ministerio de Comercio y Finanzas. -Fondo de Inversión Social.	\$550,000.00
La Agricultura Urbana y Peri-Urbana	Distrito de Colón y	145 beneficiarios directos	-MIDA (Dirección Nacional de Desarrollo Rural y Dirección Regional	Fondo Mixto Hispan-

	Portobelo (Comunidad de la Estacada)	Entre sus Objetivos: -Contribuir a mejorar la dieta y nutrición de las familias -Mejorar la capacidad emprendedora de generación de ingresos complementarios para las familias	de Colón) -Municipalidad de Portobelo -Ministerio de salud (MINSNA) - INAFORP -ANAM	Panameño de Cooperación
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Otros proyectos ejecutados por la Oficina Técnica de Cooperación Española de España y el Ministerio de Economía y Finanzas a través del Fondo Mixto Hispano Panameño de Cooperación en Portobelo son: Restauración de la Aduana de Portobelo. 1990-97, Manejo adecuado de desechos sólidos. 2000-2004, Impulso a la microempresa turística. 2001-2003, Plan de Uso Público de la Costa Arriba de Colón. 2002-2004, Elaboración del Plan Normativo de desarrollo y conservación del área histórica de Portobelo. 2002-20003.

ANEXO 9: Situación de los proyectos financiados por la CE en Panamá

Proyectos de cooperación de la UE con la república de Panamá 1990-2001

Nombre del proyecto	Año de aprobación	Monto (en euros)
Rehabilitación del centro histórico de la ciudad de Panamá	2001	950.000
Apoyo a la modernización del sistema penitenciario	1997	3.788.000
Modernización del Ministerio de Relaciones Exteriores	1997	830.000
Apoyo a las elecciones generales de 1999	1997	813.000
Verificación electoral	1997	300.000
Apoyo al Programa Nacional de Tuberculosis	1997	196.601
Apoyo al Congreso Universal del Canal de Panamá	1996	546.000
Ciudad del Saber	1996	902.000
Evaluación de las alternativas para el desarrollo del Canal de Panamá	1996	330.000
Promoción de los derechos humanos	1996	250.000
Apoyo al sistema de justicia para adolescentes	1996	773.000
Apoyo a los derechos humanos	1996	125.000
Capacitación en género	1996	200.000
Programa sobre adicción a drogas	1996	211.000
Ayuda humanitaria a la población indígena	1996	200.000
Promoción de la igualdad de oportunidades en Panamá	1995	9.800.000
Promoción de los derechos humanos (Defensor del Pueblo)	1995	210.000
Fortalecimiento de los partidos políticos	1995	210.800
Horizonte 2000 del Canal de Panamá	1995	200.000
Proyecto contra las drogas para jóvenes líderes	1995	157.000
Apoyo a las pequeñas empresas en la región central	1994	4.400.000
Apoyo a los valores democráticos	1994	230.000
Capacitación para jóvenes transgresores	1994	192.000
Apoyo a la campaña de información electoral	1994	250.000
Participación de las mujeres en el parque nacional Soberanía	1994	273.000
Cooperación con el Fondo de Emergencia Social	1993	4.500.000
Programa con el Instituto de Recursos Hídricos	1993	400.000
Desarrollo sostenible en Kuna Yala	1993	560.000
Rehabilitación del hospital Santo Tomás	1990	4.400.000
Proyectos regionales		
Programa de Desarrollo de los Pueblos Indígenas de Centroamérica (PAPICA)	1993	ND

Título del Proyecto	Objetivo Principal	Aporte UE en Euros	Situación Actual	Beneficiario	Duración	Inicio
Proyecto de apoyo al Tecnoparque Internacional de Panamá (TIP) en la Ciudad del Saber (CdS)	Fortalecer la organización de la Ciudad del Saber, desarrollar un ambicioso plan de promoción internacional y potenciar el desarrollo tecnológico.	7,700,000	En ejecución	Fundación Ciudad del Saber	5 años	Jan-04
Proyecto de Electrificación de infraestructuras sociales en el área rural	Elevar las condiciones de vida de la población rural mediante la dotación de energía eléctrica renovable a centros de educación y a infraestructuras de salud de la provincia de Veraguas y la Comarca Ngöbe-Bugle	8,500,000	En ejecución	Min. de Educacion / Min. de Salud / Univ. Tecnológica Panama	4 años	Apr-04
Apoyo a la modernización del sistema penitenciario en Panamá	Contribuir a la consolidación del Estado de derecho en Panamá mejorando el sistema penitenciario y judicial	3,788,000	En ejecución	Ministerio de Gobierno y Justicia	1+3 años	2002
Fortalecimiento y Modernización Institucional del Organo Judicial de la República de Panamá	Mejorar la calidad eficiencia y transparencia de los servicios de Justicia en beneficio de los ciudadanos	6,650,000	Aprobado, pendiente de comenzar	Corte Suprema de Justicia	4.5 años	2004
Restauración Casco Antiguo de Ciudad de Panamá	Mejorar la calidad de vida de los habitantes del Casco Histórico y contribuir a la conservación y rehabilitación de la infraestructura del Conjunto Monumental del Casco Antiguo, mejorando la iluminación y la señalización de vías y calles	950,000	En fase de cierre	Dirección Técnica de la Oficina del Casco Viejo	18 meses	2002
Producción agrícola sostenible en la Comarca Ngöbe Bugle en la microcuenca de las quebradas Cabuya-SabaloCandela y las secuencias de los rios Santiago-Jevay-Soloy-Huso y Balsa	Apoyo a un programa de mejora de la producción agrícola y de las condiciones de salud en las comunidades indígenas de 2 provincias de Panamá	673,581	En ejecución	ONG Europea - Asociación para la cooperación con el Sur-Las Segovias	3 años	2002
Programa Plurianual de Apoyo a los Derechos Humanos en Centroamérica: Programa país - Panamá	Consolidar el estado de derecho y valores democráticos, mejorando la situación de los derechos humanos y el cumplimiento de las convenciones internacionales	600,000	En ejecución	ONG-Comisión Justicia y Paz de la Iglesia Católica	4 años	2002

Situación de la programación 2002-2006:

1) Apoyo a la modernización del sistema penitenciario (3.8 Millones de EURO). Esta intervención, prevista en la anterior programación, contribuye directamente desde 1999 a la consolidación del Estado de Derecho mejorando la eficacia del sistema penitenciario. Debe aportar una solución a los problemas que afectan a los derechos de las personas privadas de libertad (plazos, problemas de salud, condiciones de detención). A pesar de las dificultades iniciales para empezar la segunda fase del proyecto, dificultades vinculadas, en particular, con la apertura de la cuenta bancaria y con la gestión de los fondos de la Comisión, unos progresos evidentes se han registrado.

Conviene destacar la aprobación de la Ley penitenciaria así como la contratación de once abogados para reducir los plazos de juicio y mejorar las condiciones de detención. Por otra parte, una nueva ley mejora y reorganiza el sistema y la profesión penitenciaria. El proyecto apoya esos esfuerzos con un sistema de formación del personal penitenciario y el suministro de servicios de salud así como de equipamientos informáticos y de videoconferencia.

El proyecto se aceleró en 2005, aunque el programa acusa retrasos relativos a la realización de obras públicas necesarias para la adaptación de las instalaciones penitenciarias, en particular de las enfermerías. La terminación del proyecto está prevista para agosto de 2006.

2) Fortalecimiento y Modernización Institucional del Órgano Judicial de la República de Panamá (6.5 Millones de EURO). El programa puesto en marcha en 2003 debe modernizar y consolidar enteramente el órgano judicial para acercarlo de los ciudadanos y mejorar la administración de la justicia. En este marco, se presta una mayor atención a la protección de los indígenas y niños, así como a las situaciones de violencia matrimonial.

Se realizaron algunas acciones por lo que se refiere a la política de contratación de los jueces, el refuerzo de la ayuda jurisdiccional y el papel de los partidarios financiados por el Estado, la adaptación de los edificios. El proyecto fue paralizado en 2004 a causa de dificultades administrativas así como por una falta de voluntad política y ha tomado un retraso importante. Sin embargo, las nuevas autoridades demostraron un compromiso más claro para realizar este programa.

3) "Nuevas tecnologías de electrificación para la educación y la salud en sectores marginales " (SOLEDUSA) (8.5 Millones de EURO).

Adoptado en 2004, el proyecto tiene por objeto mejorar la calidad de los servicios de educación primaria y salud básica y contribuir a reducir el aislamiento de las poblaciones de las Comunidades rurales del norte de la provincia de Veraguas y el Sector indígena Ngöbe-Buglé. El socio es el Fondo de inversión social dependiente del Ministerio de Educación.

El proyecto se desarrolla según 3 ejes:

A) La electrificación de las escuelas y centros de salud de las Comunidades rurales aisladas utilizando energía renovable, principalmente fotovoltaico. B) El suministro de equipamientos audiovisuales a 350 escuelas, con la colaboración del Ministerio de Educación, para favorecer el acceso a programas educativos para jóvenes y adultos. C) El suministro de instalaciones de refrigeración para mejorar las infraestructuras de salud (la conservación de los medicamentos); acciones educativas de prevención y control de las enfermedades.

El proyecto encontró hasta ahora dificultades administrativas (oficinas, personal, problemas de las contrapartidas nacionales). El Gobierno panameño ha demostrado y ha afirmado después su gran interés por el proyecto e intenta recuperar el tiempo perdido. Es

extremadamente importante que este interés renovado para el proyecto esté acompañado por acciones concretas.

4) "Apoyo al Tecnoparque Internacional de Panamá en la Ciudad del Saber" (7.7 Millones de EURO).

El proyecto se lanzó en 2002 y empezó a principios de 2004. Tiene por objeto desarrollar el Tecnoparque Internacional de Panamá (TIP) con una presencia de la Unión Europea en el ámbito de las inversiones y de la transferencia de tecnologías. El proyecto tiene por objetivo, entre otros, contribuir al desarrollo de las bases científicas y tecnológicas del país estimulando la innovación, la educación, la investigación y el apoyo a empresas innovadoras. Sobre un período de 5 años permitirá establecer un ambiente adecuado para la implantación de empresas de tecnología, a través la promoción nacional e internacional de "Ciudad del Saber", reforzando la capacidad de gestión del Tecnoparque y conectando el Tecnoparque a la red de los parques tecnológicos Europa- América latina. El proyecto deberá contribuir a la transferencia y a la difusión de tecnologías entre las dos regiones, aumentando el número de empresas, centros de investigación y formación que utilizan tecnologías europeas reconocidas.

El proyecto se realiza satisfactoriamente y las actividades se desarrollan en coordinación con socios de la Unión Europea.

ANEXO 10: INDICADORES PARA LOS SECTORES DE CONCENTRACION

COHESION SOCIAL:

Los indicadores para evaluar los resultados esperados de esta iniciativa en el área de la cohesión social en Costa Rica incluirán, entre otros:

- Datos sobre la mejora y el incremento fiscal,
- Incremento y distribución del gasto público en el área social,
- Avances en la lucha contra el fraude tributario,
- Mejora de los indicadores sociales, particularmente en las zonas pobres y indígenas
- Indices de decentralization administrativa,
- Numero de programas de capacitación y formación de agentes en el sector social y fiscal, numero de actores beneficiarios
- La sensibilización de la población sobre las ventajas de un sistema redistributivo que favorece la inclusión social,
- Modernización y mejora del sistema social,
- Divulgación de los principios de gasto público y equidad en materia social y transparencia administrativa, de cara a los ciudadanos costarricenses.

INTEGRACION REGIONAL:

En cuanto a los principales indicadores para medir los resultados esperados del programa en el área de la integración regional serían:

- Fortalecimiento de los institutos nacionales encargados de la certificación de las normas veterinarias y fito-sanitarias,
- Coordinación regional en la lucha contra las plagas y enfermedades a nivel regional,
- Fortalecimiento de los laboratorios nacionales y de las capacidades de inspección,
- Estándares y normas industriales,
- Creación de un Instituto Nacional para la Normalización,
- Creación y fortalecimiento de una autoridad nacional en materia de propiedad intelectual que desarrolle todos los aspectos de protección de patentes, marcas y modelos de utilidad industrial,
- Formación y capacitación de jueces y agentes de aduanas en materia de propiedad intelectual,

- Sensibilización de pequeños y medianos empresarios en materia de normalización y propiedad intelectual,
- Modernización del sistema informático y de análisis técnico.

ANNEX 11: Policy coherence

To assess the coherence of the Panama CSP, this annex presents relevant EU policies and guidelines affecting the country. All those policies have a link with the past and future EC development policy towards the country. For each, different categories and levels of EU intervention are addressed, assessing the complementary and coherence of EC instruments:

- cooperation instruments : bilateral, sub-regional and regional, with a special focus on the complementarity with horizontal programmes and other financial instruments such as thematic budget lines;
- regulatory instruments and international agreements
- policy and political dialogue (bilateral and regional)

In addition, important issues/policies have been mainstreamed into the present strategy.

Trade & development

Article 133 of the EU Treaty constitutes the legal basis for the EU's trade policy. It states that the objectives of the Union's commercial policy is *«to contribute, in the common interest, to the harmonious development of world trade, the progressive abolition of restrictions on international trade and the lowering of customs barriers»*. It covers all the main aspects of trade in agricultural and non-agricultural goods, services as well as key aspects of trade related aspects of intellectual property, investment and competition.

The main objective of the Union's trade policy towards Central America is:

- to strengthen and expand bilateral trade relations between the EU and Central American countries on the basis of transparent and non-discriminatory multilateral rules, and notably by means of strengthening our cooperation throughout the WTO negotiations launched at Doha.
- to support the regional trade and economic integration process in Central America.
- to support Central America in completing its international commitments in particular fight against drug trafficking, international labour standard, human right and environment, through autonomously granting market access to EU markets via the GSP scheme. However, countries of Central America are seeking a deeper relation notably through an association agreement since they consider this to be a much more powerful tool to attract FDI. The position of Panama is similar with a more medium to long term perspective.
- to support the Central American countries' integration into the world economy by implementing their existing WTO commitments and to assist them in the negotiations and implementation of new commitments resulting from the new WTO round (Doha Development Agenda).

The strategy set out in this CSP, in particular with regard to the focal sector regional integration, is fully in line with the achievement of these objectives. In addition, supports in trade-related matters are provided by the RSP for Central America.

Common Agriculture Policy (CAP)

The "*Common Agricultural Policy*" (CAP), created by the Treaty of Rome, sought to increase the productivity of European agriculture, ensure reasonable living standards for farmers, stabilise farm produce markets and guarantee a stable food supply at fair prices for consumers. Since then, many changes to the CAP were made, modifying price policy (reduction of prices support), restricting market intervention, regulating output and introducing a system to control spending on agriculture involving, an adjustment of market management to restore market balance; more assistance is provided for social and environmental measures to stimulate development in rural areas. Those changes focussed on the changes in a global economy and the need to implement WTO commitments to reduce market distortions.

Few agricultural commodities covered by the CAP enter into competition with Central American products. A notable exception is bananas and since the EU is an important destination for Central American products, Central American banana producers have voiced significant grievance concerning the impact Community policy in this field has had on their market access; Panama is associated with other Latin American countries to present a common position against the EUs bananas regime. Latin Americans claim also that the CAP influenced indirectly different world markets.

Sanitary and phytosanitary control Policy – consumers protection

In its external dimension, the Community policy in this sector aims to ensure a high level of protection of health, safety and economic interests of the consumers, as well as the protection of public health in the EU. The implementation of this principle is perceived, by some third-countries economic sectors as a measure of non-tariff trade protection that prevents the access of some products – mainly agricultural, but also meat - to the European markets even if the same principle is applied to European-made products.

At the same time, some Central American countries have raised concerns about non-reciprocal treatment by the EC in the implementation of certain Community principles of health inspection, such as that of regionalisation but also agreement of control institutions. Confusion is also added by the fact that the US and the European SPS systems are different.

This sector is of utmost importance for both regions, therefore this strategy, as the former one, is in total accordance with those important preoccupations, since they provide specific supports for Panamanian exporters in order for them to be able to fulfil EU requirements in this respect.

In addition, a specific effort is associated to SPS (Sanitary and Phytosanitary Measures); Central America experts are benefiting, like other developing countries, from a specific training system to SPS requirements by the EU.

These aspects are included in the focal sector “regional integration” as it is important to support Panama internal efforts to harmonise SPS rules with the other Central American countries in view to gain EU market access.

Fisheries and Maritime Affairs

The common fishery policy has the objective to protect fish resources by regulating the amount of catches to help the fishing and aquaculture industries to adapt to the constraints of the market, and to maintain a common organisation of the market.

Regarding third countries, the objectives are to set up fisheries agreements and to negotiate common conservation measures in deep-sea fisheries, in order to guarantee both conservation and sustainable exploitation of fish resources. This includes close collaboration with developing countries to help them become more effective in fisheries matters, and support to the efforts to combat illegal and unregulated fisheries.

Regarding Panama there is a common objective on improving fisheries relationship with the EU, not only at the multilateral but also at the bilateral level. There is no restriction to the import of fish products to the European Union. On the contrary, Panama is trying to introduce strict sanitary measures against third countries imports.

Internal market

The principal aim of this policy is to strengthen the process of economic integration for a liberalisation of the markets as well as the development of a legislative framework compatible with that of the EC in order to:

- assure a suitable level of protection of industrial and intellectual property,
- prevent money laundering,
- protect personal data,
- guarantee minimum standards for public calls for tender, avoiding any kinds of restrictive measure of the markets.

Regulatory convergence is a factor of mutual benefits, by supplying trade and investments and favouring the investments of the EU companies abroad. One essential objective is to help Panama efforts with a view to improve the Central America internal market. This will provide additional encouragements to investors.

Costa Rica benefits the AL-INVEST horizontal programme which supports exchanges between SMEs of EU and LATIN America in view to promoting trade and investments.

Competition policy

The interest of applying competition policy in the EU’s relations with third countries, mainly in the negotiation of trade agreements, is based on the establishment of a stable and clear legal framework for the relations between economic operators in order to prevent commercial conflicts.

At the same time, the discriminatory treatment between companies of both parties is avoided with respect to direct investments or access to the services market. Likewise,

the EU takes part in multilateral co-operation in this sector in the framework of the World Trade Organisation (WTO). The WTO working group on "trade and competition" examines the possibility of strengthening the convergence of policies for which a multilateral horizontal action might be explored by the EC.

The EU competition policy and the CSP are in accordance since interventions promoting competition policies are included, in particular in the regional context. A specific action is envisaged in this CSP to strengthening the competition national authority within this strategy through cooperation.

Research and development policy

In the EC, international co-operation in this area is covered since the eighties by the Framework Programmes to which Panama participates actively. The last framework includes an international dimension. It contains a component for development and special fund to facilitate the training and mobility programmes for researchers. The assessment of this programme is positive, and the continuation of the initiative is an important element of cooperation in this field.

In addition, specific programmes developed at the level of the Regional Strategy Paper for America Latina complement the R&D policy in the area of high level education and cooperation between academic institutions (ALFA, ALβAN). The R&D policy is complementary to the CSP by strengthening links between Panama, Latin America and Europe. The ongoing co-operation programme with TECNOPARQUE is improving innovation and technology and public policies in Panama.

Linking emergency, rehabilitation and development

Emergency aid is in charge of immediate needs for population affected by crisis. Rehabilitation is orientated to support to the mid-term the recuperation of development capacity of the affected populations. There is no standardised model for linking emergency to rehabilitation and rehabilitation to development.

This link has been of particular relevance for Central America after the conflicts of the eighties and, more recently, after hurricane Mitch (through the Regional Programme for Rehabilitation and Reconstruction of Central America). In addition, ECHO's disaster preparedness programme (DIPECHO) targets vulnerable communities living in the main disaster-prone regions of the world, of which Central America; Panama is one of targeted country as it is vulnerable to disasters. Prevention of disasters is also addressed at regional level by a specific regional programme adopted in 2005.

Information Society

The main co-operation objectives pursued with Latin America in the Information Society field are the following:

- Promoting social cohesion through the development of an inclusive Information Society in those countries and fighting the digital divide within and between countries and regions and, in such, contributing to governance and to the economic and social development of Latin American countries;

- Fostering regional integration and the integration of Latin American countries in the global Information Society;
- Promoting investment and reinforcing commercial exchange with Latin America by creating a favourable environment in the region, notably by promoting efficient regulatory and policy frameworks, as well as open and global standards;

These objectives are specifically addressed by the Latin American regional strategy and the @lis programme including three demonstrations projects in Costa Rica. There is also a high level regular policy dialogue between the regions of Latin America and the European Union.

The @lis programme is complementary to the main activity of the ongoing co-operation programme with Tecnoparque (Ciudad del Saber)

Economic and financial affairs

In its international policy on economic and financial affairs towards Latin America, the Commission has two main priorities supporting the global agenda toward Latin America:

- to foster macro-economic stability and convergence
- to promote social cohesion

In matter of macro-economic convergence, the Commission participates in the policy dialogue among policy makers of Latin America transmitting its own experience.

This exchange of experience is crucial for supporting regional economic integration, and is significant in helping the Central American integration agenda. Activities are financed and to be financed at the level the Latin American RES. Among other actions, the Commission contributes is supporting activities of the Economic Commission for Latin America and the Caribbean (ECLAC).

The EU drug strategy

At the external level, the EU drug strategy is based on strengthening coordination in the fight against drug and on supporting the development of relations between third countries and the EU. The EU action is guided by the principle of **shared responsibility**: partnerships with third countries that address their overall social and economic development. This has been concretised by the EU-Latin American Action Plan of Panama adopted and ratified in 1999.

One should recall the special treatment received by the Andean and Central American countries, within the framework of the Generalised System of Preferences, to support to their efforts in combating drugs.

The objectives of the present strategy is coherent with the instruments put into place by the EC in its relations with Central America to fight drug trafficking . The Latin American regional strategy includes a new specific provision between the EU and Latin America to take place in addition to the *ad hoc* policy dialogue.

Migration, justice and home affairs:

The current policy concerning immigration could have an impact on the development of some Central American countries due to the extreme importance of remittances from immigrants in hosting countries in the macro-economic equilibrium. Emigration flows exist from Colombia to Panama but the impact is limited.

Health and poverty

If social cohesion is set at the centre of the EU-LA relations, the EC health policy establishes the link between health and poverty, between health and well-being and development, including a reference to AIDS and other contaminating diseases. There is a consensus to make assistance more efficient with more ownership and participation of the recipient States.

Assistance related to AIDS, tuberculosis and malaria is financed through the Global Fund using parallel administration, and often subcontracting activities to the national authorities. Some organisations are voicing the incoherence between the way the Global Fund is acting and the objective of reinforcing ownership.

The regional programme Eurosocial includes a provision for institutional capacity building in health policy and is open to the participation of Panama.

Policies and Issues also mainstreamed into the strategy

The gender issue

The Community's strategy on gender equity lays out a global framework to promote equality between men and women in five intervention areas: economic life, equality of participation and representation, social rights, civil life and roles, gender stereotypes.

Gender issues are a important concern in Panama where figures are better than in other countries of the region. This strategy takes gender into account into the proposed focal sectors, such as social cohesion in particular.

Although a EC specific gender budget line exists, it is not active in Latin America.

A gender profile for Costa Rica can be found in annex 4.

Governance, capacity building, rule of Law

This is one of the decisive components for policies and reforms toward social cohesion. The level of social cohesion, the economic development, the environmental sustainability and human rights are depending from the quality of governance. It is one of the critical factors to reach the Millennium Development Goals even though there is no specific indicator related to Governance. The 2003 Communication on governance and the 2002 White Book on Governance identifies concrete possible modalities:

- Capacity building to support developing countries to design pertinent reform programmes,
- Strengthen synergies and coherence between the different instruments and policies of the European Commission and the European Union,

- Reinforce national and regional partnership to coordinate the donor community and to assure their complementarity,
- Support human rights and democracy, governance and rule of law.

The present strategy is fully in line with these recommendations, and tries to bring a response to these modalities, in particular in relation with the second item. The specific budget line IEDDH is addressing human rights and democracy ([see below](#)).

Human rights, democracy, indigenous people and democracy

Democracy, rule of law, human rights and fundamental freedom are basic principles of the European Union, independently to the fact that national Governments are responsible of their respect. The EC has developed different instruments in relation, and raised a number of thematic matters.

The understanding of this transversal nature demands a considerable effort for assuring coherence. The EC identified three main areas of implementation:

- Stimulate coherent support policies, looking for a better coherence between cooperation and external relation, complementarity between the EC and Member States, and integrate these issues as cross-cutting issues within other policies and actions of the EU.
- Give a greater priority to human rights and democracy in the relations with third countries,
- Have a more strategic focus when addressing programmes and projects in this matter.

This CSP is fully compatible with this policy and integrates this dimension into the selected focal sectors. The specific budget line (IEDDH- European Initiative for Democracy and Human Rights) is addressing promotion of democracy and human rights through supports to Civil Society, universities, regional and international organisations. Some have voiced concerns about the way projects were selected and the system of “calls for proposals”. For the future, social cohesion should be added as a focal sector within the IEDDH and additional attention would be given to supporting democracy, gender and ethnic equity.

In addition, the Andean and Central American countries can receive a special treatment within the framework of the Generalised System of Preferences linked to their international commitments in Human Rights.

Conflict prevention

In its communication on conflict prevention, the Commission announced its intention to focus its co-operation programmes more clearly on addressing the root causes of conflict in an integrated manner. In this context, the Commission will seek to incorporate specific conflict prevention (or resolution) measures into its various sectoral programmes.

There are limited potential sources of conflict in Panama ; but the country could not avoid problems, such as corruption scandals, and they are economic problems threatening social achievements which do not represent now potential sources of

destabilization of the country. The CSP is fully compatible with the conflict prevention policy. No intervention of the conflict-prevention specific budget line has been done in Panama.

Environmental policy

The priorities of the environmental policy for Central America are defined at two levels:

- Objectives and principles included in the 6th Community Environment Action Programme (6EAP, 2002-2011): climate change, biodiversity, health and quality of life, natural resources and waste.
- Mainstreaming the environmental dimension into development policy, stressing the links between environment and poverty, and between environment policy and management of disasters;
- To push Central America to implement its international commitments under the different multilateral environmental agreements.

Those objectives imply major changes which lay beyond the competence of environmental organizations. They should address governance, education, economic policy and other sector policies. The integration of the environmental dimension in social cohesion is essential and the EC is trying to raise by policy dialogue. In this context, the Andean and Central American countries received a special treatment within the framework of the Generalised System of Preferences linked to their international environmental commitments.

A specific assessment has been carried out at the level of Central America to determine the environment profile of the region. One of the main conclusions is that environmental issues have to be better addressed by a global mainstreaming through all sectors than by specific financing. Both at national and regional levels, environment is one of the main crosscutting issues to mainstream. Environment is also addressed by the regional strategy for Latin America and horizontal programmes (e.g. education/ALFA; trade and Investments/AL-INVEST; local management/URB-AL).

On the same line the statement, envisaged within the water management communication, constitutes also a transversal strategy which should be articulated with the different policy to support social cohesion, regional integration, food security, and other crosscutting issues. The Communication suggests providing a framework for water security, both in term of quality and quantity, for all developing countries, in view to achieve sustainable development Water management policy is linked to other policies: land use management, social policy such as health, disaster prevention, economic development, food security agriculture and rural development, regional integration and cooperation, good governance, trade, transport, gender equity. The communication suggests that donors must join their efforts to assist partner countries, raising the issue on the political agenda and promote a shift in thinking in order to apply a real integrated approach.

In addition environment is an important component of international aid in the country, in particular the preservation of ecosystems.

Two specific horizontal budget lines have been addressing the environmental for since many years. The recent evaluation of these budget lines stressed the need for the environmental specific budget lines to be aligned with the above objectives. More specifically, there have been some concerns about sustainability of the financed projects, their coherence with the national policies and, overall, preoccupations about the pertinence of the projects selection with regard to the needs of the country and the sub-region. Environment should be better addressed by these financial instruments and be considered in a long-term perspective. Among other dispositions, this could be achieved by including clear country-specific terms of references in the calls for proposals in conformity with the political priorities of the EC.

ANNEX 12: Participation of Panama to EC regional programmes in Latin America

- **Alβan - European Union Programme of High level Scholarships for Latin America**

At the **first Alβan call** for candidates for the academic year **2003/2004**, 251 scholarships were awarded. On average, they were for a period of two years, the average EC contribution being €26,700 per scholarship, with a total EC contribution of € **6.7m**. Out of **251 selected candidates**, only **1 (approx. 0.4%)** was from **Panama** and their area of study was Law.

At the **second Alβan call (2004/2005)**, **779** scholarships were awarded, again for an average of two years, with an average EC contribution of €25,600 per scholarship amounting to a total of € **20.22m**. Of the 779 selected, **7 (approx. 0.9%)** are from **Panama**, who study mainly Social Sciences.

Eligible candidates & Scholarships awarded to Panamanian nationals by type of course⁵					
Year		M	D	E	Total
2003	Eligible	17	15	2	34
	Awarded	1	0	0	1
2004	Eligible	16	5	1	22
	Awarded	5	1	1	7
TOTAL Awarded Panama		6	1	1	8
TOTAL Awarded LA 03+04		421	564	45	1030

The percentage of scholarships awarded to Panamanian nationals together in the 2003 and 2004 calls represents **0.78 %** of the total number of scholarships awarded to all of the LA countries.

More information is available on the Alβan website:
http://europa.eu.int/comm/europeaid/projects/alban/index_en.htm

- **ALFA II - Latin America Academic Training**

2 eligible Higher Education Institutions (HEIs) from Panama participate in **5** of the **208** approved projects of ALFA II in the context of the first 9 selection rounds (involvement in **2.5% of the projects**). The HEIs from **Panama** don't co-ordinate any of the 5 above-mentioned approved projects.

⁵ **M** stands for Master Degree, **D** for PhD studies and **E** for Specialization of Professionals.

The EC financial contribution to the activities carried out by the **5** projects in which Panama participates is **€0.8m**, which represents on average **70.2%** of the total cost of each project. The average EC contribution per project is approximately **€153,500**.

More information is available on the ALFA website:
http://europa.eu.int/comm/europeaid/projects/alfa/index_en.htm

- **AL-INVEST - enhancing trade and investment between SMEs**

The current **Eurocentro from Panama** is **CYCIP** (Consejo Interamericano de Comercio y Producción/Cámara de Comercio, Industria y Agricultura de Panama).

Of the 250 cases where the principal operator of a project has been Latin-American, the Panaman Eurocentro CYCIP has led **2** of them (approx. **1 %**). Panaman companies have also collaborated in **65** of the 464 activities organised by AL-INVEST to date, involving **252 companies**, and a participation rate of **14 %**. The value of the contracts signed between European and Panaman enterprises amounts to **€11,428,300** and covers a wide range of sectors from agro-industry and agriculture (bananas), fish, wood products and services.

Main AL-INVEST Events in Panama in 2005

(The main operator of each of the following events is Panaman;)

- **24 Jan – 4 Feb, Costa Rica and Panama:** Capacity Building for SMEs Development and Management of Alternative Tourism in Panama and Costa Rica.
- **21 – 22 Feb, Panama City:** Business Week Maritime Security.
- **9 – 13 May:** Capacity Building for SMEs Ability of Travel Agencies for the Reservation on the Internet.
- **1 – 12 Aug, Ecuador and Panama:** Capacity Building for SMEs Fish Safety ad Quality.

More information can be found on the AL-INVEST website;
http://europa.eu.int/comm/europeaid/projects/al-invest/index_en.htm

- **@LIS - Alliance for Information Society**

Horizontal Actions:

Like its Latin American counterparts, Panama has one partner in the Network of Researchers (ALICE), **RedCyT** and one in the Network of Regulators called **Ente Regulador de los Servicios Públicos**.

Demonstration Projects:

Panama is active in only **1 of the 19 @LIS** demonstration projects, in the sector of e-Education and Cultural Diversity. The partner Ayuntamiento de David participates in the project Cibernárium. In total, 107 Latin American partners participate in @lis demonstration projects, so approx. **1% of the members are from Panama.**

The **@LIS demonstration project** currently on-going in **Panama and its member** are:

PROJECT TYPE	DEMONSTRATION PROJECT NAME	NAME OF PANAMAN MEMBER
e-Education & Cultural Diversity	Cibernárium	Ayuntamiento de David
e-Governance	-----	NO PANAMAN PARTICIPATION
e-Health	-----	NO PANAMAN PARTICIPATION
e-Inclusion	-----	NO PANAMAN PARTICIPATION

Main @LIS Events in Panama in 2005

- 29 May – 1 Jun, Panama City: ELAC II @LIS Coordination Meeting.
- 30 May – 1 Jun, Panama City: ACTION 2 “Dialogue on Standardisation Issues” @LIS Coordination Meeting.
- 30 May – 1 Jun, Panama City: T@lemed EU Coordination Meeting.
- Jun, David: Cibernarium Inauguration of Ciberespacio

More information is available on the @LIS website:
http://europa.eu.int/comm/europeaid/projects/alis/index_en.htm

- **URB-AL - Urban Policy Coordination**

The URB-AL programme consists of thirteen **thematic networks** co-ordinated by a single local authority. Six of the thematic networks are coordinated by Latin American local authorities, **however Panama coordinates none of these networks**. All those local actors who wish to co-operate on a given theme participate in the corresponding network, which provides a focal point of information and a forum for discussion. Joint projects are then designed and implemented within the networks. To date **154 joint projects** have been selected, of which **3** have the involvement of a Panaman local authorities (2% of the projects). There are **no external members** from Panama who participate in the joint projects. Of the 268 different Latin American local authorities who are active in joint projects, **3** are **Panamean** (1% of the total). However, **none** of the approved joint projects are coordinated by **Panamean** local authorities.

More information about this programme can be found on the URB-AL website;
http://europa.eu.int/comm/europeaid/projects/urbal/index_en.htm

ANNEX 13: SUMMARY OF REGIONAL STRATEGY FOR CENTRAL AMERICA

The main objective of the 2007-2013 Regional Strategy for Central America will be to support the process of political, economic and social integration in the context of the preparation of an Association Agreement with the EU. Potential aspects that are to be considered include:

- strengthening the institutional system of the process of Central American integration (regional, inter-governmental and national entities including the participation of civil society),
- developing and implementing harmonised and common policies,
- consolidating the customs union,
- supporting intra and extra regional trade, services and investment, and intellectual property rights,
- strengthening regional security in the context of mitigating the impact of the free circulation of goods, capital and persons (i.e., cooperation between national authorities such as police forces and judicial systems).

ANNEX 14: Consultation Process in the Programming Exercise 2007-2013 in Panama

The process started in November/December 2004 with the consultation of a broad range of central players for the development of the country. Those players included government representatives, representatives of governmental agencies, politicians, distinguished intellectuals and analysts, trade union and private sector representatives, representatives of international and Pan-American development agencies, development banks and bilateral donors, United Nations Agencies, distinguished members of civil society and representatives of NGO's. Subsequently, the European Commission drafted a Concept Note on the basis of the mission report which contained a first and preliminary proposal for a future cooperation strategy. This Concept Note was sent to all the institutions involved in the first phase. Additionally, it was published on the website of the European Commissions Delegation in Costa Rica and Panama and on the Commission web site with an invitation to comment.

As a next step, the Concept Note was discussed in a series of workshops held during May 2005 with the main national stakeholders identified during the first mission. The workshops were coordinated and facilitated by external consultants using participative methodologies. These workshops have shown a consensus of the main conclusions of the Concept Note, including on the two proposed sectors of intervention: social cohesion and regional integration.

The participants suggested focusing future cooperation on issues such as rural development, poverty and exclusion, social services, regional divergences, decentralisation, fiscal reform and regional integration. Again the results of the workshops were made accessible to interested parties and published on the Commission websites for comments.

During the whole process the Member States of the European Union represented in Panama were closely associated and made substantial contributions.