

Sector-specific opportunities

Opportunities in Panama

There are a number of opportunities in Panama for UK companies, such as in the agriculture, education, electricity generation, infrastructure, ports and maritime, and power and renewable energy sectors.

The UK's Department for International Trade (DIT) can provide free leads for international export sales due to its worldwide network. For further information, see: <https://www.great.gov.uk/>. Contact DIT's Aid Funded Business Service: <https://www.gov.uk/guidance/aid-funded-business>, if you would like advice and support to identify opportunities to supply products and services to international aid agencies.

[Source – DIT]

Government tenders

For more information regarding government tenders in Panama see the Panamanian Government's Ministry of Economy and Finance website: <https://www.mef.gob.pa/> for more information.

Partnering with a Panamanian firm may improve your chance of success if applying for a government tender. Check with the DIT team in Panama at: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us> for assistance and information about government tenders and use of third-party advisers.

[Source – DIT, Panamanian Government's Ministry of Economy and Finance]

Agriculture sector

The Ministry of Agricultural Development of Panama are hoping to create a sustainable and equitable rural environment in order to improve the country's agriculture sector, as well as to help move the rural population away from poverty. They plan to do this by establishing a competitive business environment that will motivate improvement within the sector, whilst protecting the producer and the consumer.

As the population increases, the demand on the sector also increases, therefore the Panamanian Government has stated that they are working towards food security for the whole of its population, including those on the poverty line.

In order to increase productivity to accommodate this demand, the Panamanian Government are asking for support from foreign companies, such as those from the UK, to invest, set up and operate within Panama.

This means there are a number of opportunities within the agriculture sector for UK companies to do business with Panama, especially if they can bring new technologies and ideas into the country in order to help increase productivity.

Contact the Department for International Trade (DIT) team in Panama for more information on the agriculture sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – Ministry of Agricultural Development of Panama, DIT Trade and Export guide: Panama]

Education sector

The Panamanian Government is encouraging its citizens to learn English by establishing training programmes across a number of English-speaking countries, including the United States, Canada, England, Scotland and Barbados.

The project, 'Panama Bilingue', was set up in 2015 and has programmes for teachers, as well as children, to learn English in order to broaden their career prospects and keep up with the socio-economic advances of Panama. The initiative aims to improve the quality of life of the country's residents by helping them gain access to the growing number of jobs emerging from Panama's increasing economic growth.

There are, therefore, a growing number of opportunities available for British learning and higher education institutions offering language tuition, curricula and testing to Panamanians.

A range of opportunities also exist for British businesses as an increasing number of technical training schools are being built and developed in Panama in order to further support the country's workforce by providing them with the skills necessary to advance, not only their own socio-economic status, but also that of the country.

The Ministry of Education Panama aims to provide the country's next generation with 21st century skills, particularly in the Indigenous regions of Panama, in an attempt to equip the future workforce with a competitive advantage.

Contact the Department for International Trade (DIT) team in Panama for more information on the education sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – Ministry of Education Panama, DIT Trade and Export guide: Panama]

Electricity generation, transmission and distribution sector

In 2019, it was recorded that 100,000 families in Panama did not have access to electricity in their homes. This is also the case for many rural schools. Plans are currently being put into place to secure an electricity connection to these people.

Bringing electricity to schools will ultimately improve children's education in these rural areas, which in the long term will increase their future input into the country's overall economy.

Therefore, there are opportunities for UK companies to invest and operate in order to help connect those without power to an electricity source.

Panama is currently working towards becoming an energy hub for the whole of the Central American region. In recent years, Panama has completed the Central American electricity connection. In order to increase its energy distribution, there are plans to establish a distribution line which will connect planned power plants that will be located in both Panama and Columbia.

A law was passed in August 2012 that promotes the construction and operation of power plants for the provision of energy that is based on natural gas.

There are a number of opportunities for UK companies as Panama continues to work toward becoming an energy hub as they require new technologies that will source energy generation, as well as transmit and distribute the energy it is generating.

Contact the Department for International Trade (DIT) team in Panama for more information on the electricity generation, transmission and distribution sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – DIT Trade and Export guide: Panama]

Infrastructure sector

The Panamanian Government is currently implementing a major infrastructure strategy. The five-year plan, spanning 2015 to 2019, aims to significantly improve living standards for Panamanian citizens and encourage continued economic growth.

Panama's infrastructure faces several problem areas, such as:

- congested road networks due to excess demand and lack of planning

- some sections of the Pan-American highway cannot meet the safety standards required for freight transport
- the tertiary road network is in a poor state of repair having been negatively affected by climate change, consequently restricting access to consumption centres required by the agriculture sector

There are a significant number of investment opportunities for UK companies in Panama's infrastructure sector. These include investment opportunities in projects in:

- housing
- roads and urban planning
- technical and vocational schools
- hospitals
- liquefied natural gas (LNG)
- port expansion to support the Panama Canal expansion

There are also a number of rail improvement projects underway, with plans in place to extend both lines 1 and 2 of the Panama City Metro, and also to add a third line, stretching across 26.2 km.

Contact the Department for International Trade (DIT) team in Panama for more information on the infrastructure sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – Ministry of Economy and Finance Panama, DIT Trade and Export guide: Panama]

Ports and maritime sector

Panama's logistics sector accounts for about 35% of the country's GDP. Maritime services around extensive port infrastructure and related logistics and distribution services are included in this figure.

Collectively, the Panama Canal and related port infrastructure is the largest in Latin America and further expansion is necessary in order to meet future demand. Alongside this, there will be increasing opportunities available for UK businesses who wish to invest in the ports and maritime sector, including increasing the capacity of container ports and improving the sector's sustainability.

Contact the Department for International Trade (DIT) team in Panama for more information on the ports and maritime sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – DIT Trade and Export guide: Panama]

Power and renewable energy sector

Recently, Panama has been described as one of the most attractive countries for foreign companies to invest in clean energy.

The country has plans to become 70% renewable by 2050. Solar energy reached 270 MW and wind energy reached 90 MW by the end of 2016. The government is moving towards integrating solar and wind energy into their electrical grid, and are looking to do this in a way that is cost effective.

There are projects currently underway in solar, wind, clean coal, liquified natural gas (LNG) and hydropower.

In 2018, US \$10 million was invested into the production of solar thermal technology to increase the country's use of solar energy. Its main objective is to use the energy to help move the country away from fossil fuels to produce the electricity used to heat water. This technology will be used in the hospital, hotel, agro-industrial and residential sectors, in order to save money and to become more renewable.

Wind energy, along with solar energy, is to become one of the top sources for producing power in Panama. Panama has the largest wind turbine farms in Central America, located in the city of Penonome, which produces up to 270 MW.

These forms of renewable energy create numerous opportunities for UK companies to help increase the amount of renewable energy generated as the Panamanian Government are looking for new ideas and technologies that can help to improve the sustainability of their energy to help combat climate change.

Contact the Department for International Trade (DIT) team in Panama for more information on the power and renewable energy sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – Panamanian National Secretariat of Energy, DIT Trade and Export guide: Panama]

Tourism sector

Looking to the future, the Government of Panama is focussing on sustainable forms of tourism. They advocate for investment in both ecotourism and agrotourism, in accordance with the Panama Tourism Authority's 'Sustainable Tourism Development Master Plan 2007-2020'.

The Panamanian Government aims to use tourism as a means to contribute to the eradication of poverty in a way that will benefit other economic sectors, as well as conserving Panama's environmental spaces.

In addition, the country's Agrotourism Program supports rural tourism in order to supplement the income of the agriculture industry. Agrotourism provides opportunities for UK companies who are able to provide ideas and technologies that will develop and adapt farms at a national level in order to increase their attractiveness to potential tourists wishing to participate in the daily activities of a Panamanian field worker.

Contact the Department for International Trade (DIT) team in Panama for more information on the tourism sector: <https://www.gov.uk/world/organisations/department-for-international-trade-panama#contact-us>.

[Source – Panama Tourism Authority]

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