



Santa Maria la Antigua University

Educational Institutions

Preschool, Elementary and High School Education

Panama City offers an extensive variety of preschool, elementary and high school educational options, including a standard school calendar (March thru December) and an international calendar (September thru June). Panama assigns 6% of its GDP to education and the literacy level in the country exceeds 97% of the population.

Elementary and high school public education in Panama is subsidized by the State. Currently, Panama has a total of 4,385 official schools and 835 private schools.

Private schools in Panama City take care of the academic, multilingual, bilingual or religious creed learning needs of society. There are schools in the capital that offer bilingual education in English, French, Italian, Mandarin, Japanese or Greek. Serving religious beliefs, there are Catholic, Hebrew, Adventist, Evangelic, Methodist, Episcopalian, Baptist, and Protestant schools.

University Education

There are approximately 117,000 university students in the Republic of Panama. There are nearly 97,000 students in public universities and 20,000 students in private universities. There are seventeen universities in Panama, including three from the United States and others from countries such as Costa Rica, Colombia and Mexico. Likewise, there are special programs from prestigious academic centers in the City of Knowledge, such as MacGill University, St. Clair College, Williams College, Yale University and Texas A&M.

Religious Institutions

The Political Constitution of the Republic of Panama guarantees the free practice of profession and worship. There are Catholic churches; Hebrew synagogues; Islam mosques; Muslim, Buddhist, Protestant, Evangelic, Mormon, Episcopalian, Baptist, Methodist and Bahai temples; and a Greek Orthodox church. What's more, they have cemeteries for their members.

Healthcare and Medical Installations

Panama City has from clinics and hospitals of general medicine to the most specialized health fields. Panama's doctors

and nurses enjoy an exceptional reputation in the hemisphere due to their excellent education and training. The University of Panama's School of Medicine is one of the most renowned in the American continent. A large number of members of the medical body have completed graduate studies at prestigious universities throughout the world and performed their professional practice at the best hospitals.



Public Children's Hospital

In 1999, the Republic of Panama had 816 public health installations with more than 7,300 beds, a medical body of about 3,500 doctors, 788 dental surgeons and more than 6,400 nurses and assistant nurses.

PANAMA

A large number of specialized and updated medical conferences, courses and forums for Latin America and the Caribbean are organized in Panama every year.

Both public and private hospitals have modern equipment and, because Panama City is an international insurance and reinsurance center; health and life insurance coverage is very extensive, economic and efficient. Specialists in Panama include absolutely all medical fields and the most advanced surgeries of the medical science are practiced in local hospitals. Medical centers in Panama are associated with the Oschner Clinic of New Orleans and, in the near future, a hospital center affiliated to the worldwide famous Johns Hopkins Hospital from Baltimore, Maryland, will be opened.

One hundred percent of the Panamanian population has access to public health, and 70% has social security coverage. The birthrate in Panama is 2% and the death rate is barely 0.43%.

Due to the high quality of life level and availability of excellent health services in Panama, life expectancy is 72 years for men, and 77 years for women.

Health costs in Panama are relatively moderate and the capital city is increasingly receiving more patients from abroad, due to the quality and advance of its medical and hospitalization services.

Shopping, Malls and Supermarkets



Los Pueblos Shopping Mall, the biggest in Central America and the Caribbean

For more than fifty years, the Republic of Panama has served as an international shopping center. The Colon Free Zone, the largest in the Western Hemisphere; the Panama Canal; and the expansion of a multi-modal cargo center; make Panama City and the rest of the country a large commercial center.

All types of goods are available in Panama, including products with the latest technology, at very low prices. Due to the commercial exchange, stores renovate their inventories very frequently, with a continuous offer of universal products. A tourist card allows visitors to purchase retail goods in the Colon Free Zone, which are directly delivered to them at departure ports.

Moreover; Panama City has more than fourteen shopping malls with approximately 1,000 varied shops, including the Los Pueblos Commercial Center, El Dorado Super Center, Multicenter, Los Pueblos-Albrook Mall, Regency Plaza, Concordia Plaza and the Pacific Mall (to be opened soon), some of these are among the largest commercial centers in Central America and the Caribbean.

Leisure Activities

Birthplace of champions in all kind of international sports, Panama has excelled in boxing, horse racing, baseball, basketball, swimming and soccer; among others. There are sport clubs for billiard, tennis, soccer, football, baseball and golf fans.

The capital has several Olympic quality stadiums and fine facilities for individual and group sports.

The modern "Rod Carew" National Stadium is a multi-functional infrastructure, committed to the development of sport, cultural and recreational activities, with a 28,000 spectators' capacity.

There are four 18-hole golf courses in the City designed by international experts. Some courses even offer golfers GPS computerized systems to play.

The capital has a world-class horse racing track, the President Remón Race Track, one of the leading horse racing tracks in Latin America and the Caribbean and a high level international competition center, known as a school for jockeys such as Laffit Pincay Jr., Jorge Velásquez, Braulio Baesa, Jacinto Vásquez and others.



Summit Golf Club

The Omar Recreational and Cultural Park is located in 56 hectares of green areas in the center of Panama City, with suitably paved sidewalks to practice outdoor sports, football courts, the National Library and an amphitheater for cultural events.

There are two recreational beach zones in Panama City within the Amador Causeway and at the Kobbe and Farfan.

Panama City offers other convenient, comfortable, safe and inexpensive recreational facilities, such as sports fishing, an activity in which Panama has won the most important international awards. Nearby islands can be visited, such as Taboga, "the Island of Flowers", a 30-minute boat ride away from the city and former dwelling of French artist Paul Gauguin and Spanish conqueror Francisco Pizarro; the worldwide famous Contadora Island, one of the last shelters of the Sha of Iran; or the Pearl Islands, where the US "Survivor" series was filmed during two consecutive years.

- Restaurants

Panama is a cosmopolitan city that offers a broad variety of ethnic restaurants, with a pleasant ambiance and superior quality at convenient prices. Customers can choose from popular international fast food franchises to high-cuisine restaurants hosted by local and foreign chefs graduated from the best cuisine schools of the world.

There are more than 100 high-quality restaurants within a 5-kilometer radius from the center of the City that offer from the best local food, to dishes of the Argentine, Colombian, Italian, Peruvian, Kosher, Arab, Brazilian, French, Swiss, Caribbean, Spanish, Central American, Irish, Mexican, German, Japanese, Korean, Hindu, Thai, Chinese and US cuisines.

- Casinos

Gambling is permitted through concessions regulated by the State. The City has eight casinos within a 5-kilometer perimeter from its center. The casinos receive a large flow of local and foreign customers, and offer from table games to slot machines, as well as orchestras, live music and international quality shows.



A restaurant in Panama City

- Night Life

Panama City is famous for its night life. There is multiple all-night entertainment, largely in three areas: the Historic District, the banking center zone and the Amador Causeway. The offer includes an extensive diversity of bars and discoteques as well as outdoor shows and rides in party buses.

The Panamanian Carnival is one of the most cheerful and colorful in the world, receiving yearly a large amount of tourists that enjoy this traditional national activity.

Cost of Living

The cost of living in the Republic of Panama is reasonable, in comparison to the high quality of life the country provides. Several factors have contributed to an enviable quality of life at attainable and convenient costs, including currency stability; a low inflation rate, traditionally lower than in the United States (less than 2% annually in the last 50 years); an attractive tax regime; and the open nature of its economy.

The cost of goods and services is very low when compared to the quality obtained and the situation of other cities in the hemisphere. Since Panama is at the crossroads of world maritime trade, the price, variety and quality of goods in the Panamanian market are very convenient.

The drinking water service is considered among the best in the world, with truly inexpensive costs (the last tariff adjustment was made in 1982). The effects of hydroelectric power development have made the cost of electricity, convenient. In fact, Panama exports power into neighboring countries. Telecommunication expenses are reasonable due to the considerable competitiveness in the market. Housing prices, either to rent or to buy, are extremely attractive, due largely to the effect of the transfer of 3,815 housing units from US military bases to Panama, that entered the real estate market in the past decade, as well as to the dynamic activity of the Panamanian construction sector.

Table 12 presents the apartment rental parameters for the City of Panama established by Panama Relocation Services and Worldwide Housing Actuals companies.

Table No. 12
Monthly housing rental rates in Panama City US\$

APARTMENTS	LOW RANGE	MEDIUM RANGE	HIGH RANGE
2 ROOMS	\$400 - \$600	\$600 - \$1,000	\$1,000 - \$2,500
3 ROOMS	\$800 - \$1,100	\$1,200 - \$2,300	\$2,400 - \$3,500
4 ROOMS	\$2,000 - \$2,500	\$2,500 - \$3,500	\$3,500 - \$5,000
HOUSES			
3 ROOMS	\$1,200 - \$2,000	\$2,000 - \$3,000	\$3,000 - \$4,000
5 ROOMS	\$2,500 - \$3,500	\$3,500 - \$4,000	\$4,500 - \$6,500



Minimum wage in Panama is US\$ 1.22 per hour and the average professional salary generally is US\$ 350.00 for a Bilingual Secretary, US\$ 560 for a Controller, US\$ 1,000 for an engineer and US\$1,000 for an Administrator.

The cost of medical visits is between US\$ 25.00 and US\$ 40.00. Fees of first-class hospitals go from US\$ 85.00 to US\$ 100.00 for semi-private rooms, and from US\$ 100.00 to US\$ 150.00 for private rooms.

The study prepared by the Tripartite Committee in 1997 concluded that the Capital of Panama was the least expensive city, with the lowest operating expenses for the FTAA Administrative Secretariat, among nine cities participating in the feasibility study for the creation of the Secretariat (60% of costs in New York City). In this study, the second least expensive city was 22% more expensive than Panama City (82% of costs in New York City).

To prepare this evaluation, the Tripartite Committee used as a parameter the UN per diem chart. The Tripartite Committee noted that "this indicator is updated periodically and allows to compare per diem expenses such as meals and lodging in a simple, but reliable and universally acceptable manner."

The most recent UN indicator regarding travel per diem, which has been in force since January 1, 2004, again establishes Panama City as the least expensive among candidate cities to host the Permanent Secretariat. Travel per diem information appears in the following Table:

**Table No. 13
Average daily traveling per diem - for the following cities**

CITIES	DAILY AVERAGE
Atlanta	US\$ 195.00
Cancun	231.00
Chicago	263.00
Miami	213.00
Panama	171.00
Puebla	207.00
Port of Spain, Trinidad	189.00
San Juan, Puerto Rico	182.00

The UN travel per diem charts do not provide information on the cities of Houston, Colorado Springs and Galveston.

Furthermore, the Republic of Panama is the second country with the most favorable consumer price index among the nations with candidate cities, according to a UN International Civil Service Commission study that was published in September 2003. If the study were to be updated as of February 2004, based on the currency exchange rate in some countries, Panama would result having the best consumer price index, considering its currency stability and low inflation rate.

Panama's offer of a high-quality life at reasonable prices is a very important asset when considering the selection of a city to become the FTAA Permanent Venue. The experience during the period that Panama hosted the FTAA Temporary Venue was very positive, given that there was ample participation by country delegates, insuring a significant presence in the negotiation rounds and promoting the possibility of a more equitable agreement with the involvement of a larger number of participating countries.

F. DIPLOMATIC MISSIONS OF FTAA COUNTRIES (EMBASSIES AND CONSULATES)

Panama has distinguished itself as a friendly country to all the nations, maintaining diplomatic and consular relations in the five continents. Its vow is part of the historic mandate of the country's forefathers, who committed the nation in its National Emblem to "serve the world," as well as a consequence of the constitutional mandate of maintaining the main economic and geopolitical resource of its population, the inter-oceanic canal, neutral and "open to peaceful and uninterrupted transit to all nations of the world."

The most important level of State representation in international diplomacy is the embassies at the capitals of countries with which it has foreign relations. Panama maintains diplomatic relations with 129 states. There are 56 diplomatic representations in Panama City, including embassies and consulates, with 49 honorary consuls and 47 concurrent embassies.



While Panama was Venue of the FTAA Administrative Secretariat, embassies of countries in the hemisphere accredited in our country played an important role during the Agreement negotiations, considering that they were able to extend their diplomatic functions to provide assistance to their negotiators or delegates. Several credited ambassadors, counseling ministers and/or attachés provided a valuable service by directly supporting the FTAA negotiation groups and/or committees. Similarly, some consuls provided support to the extent of their capacities and hierarchical attributions.

Panama City is host to 21 embassies, 22 consulates, 5 concurrent embassies and 9 honorary consuls of countries participating in the FTAA, as well as offices and directors of two entities from the Tripartite Committee, such as the OAS and IADB, and has permanent representatives from the PHO and IICA.

Panama has diplomatic missions and/or representatives in the UN and OAS, as well as in inter-American organizations and in important regional organizations, such as the Central American Integration System (CAIS), the Andean Group (observer), LAES and LASC. It is an active member of the Association of Caribbean States (ACS) and a founding member of Group of Rio. All the country's actions in hemispheric and international agencies are coordinated within the Central American or Latin American group.

This year, Panama will inaugurate the Caribbean House to serve as a diplomatic and cultural center to broaden trade links with Caribbean countries. The Caribbean House will be located in Ancon Heights, in the capital city, close to the canal's entrance to the Pacific Ocean. This initiative by the Government of Panama acknowledges the contributions of people from the Caribbean in the construction of this eighth wonder of the modern world: the inter-oceanic Canal.

In 1975, Panama advocated at the 20th Assembly of Governors of Latin American Central Banks to create the Latin American Exports Bank (BLADEX), a multinational institution devoted to financing exports in the region. BLADEX started operations from its head offices in Panama City in January 2, 1979, because of "the existence of the international financial and banking center; money transfer laws, free circulation of the US dollar, efficient banking controls, its central geographic position, and quality communications." During the last gathering of the BLADEX General Assembly, Panama's bid to become the FTAA Venue was endorsed.

A decade ago, the Republic of Panama established the goal, considered a State policy, of becoming a center for international institutions, and is successfully implementing a regional, inter-American and global strategy to attract the head offices of international organizations and agreement programs. The implementation of this public policy has the firm and unrestricted support of the civil society and private sector.

The country's short term goal is that Panama City becomes the fourth center for international multilateral organizations after New York, Geneva and Brussels.

All these entities carry out their regional activities from Panama, due to its geographic location, low operation costs and National Government incentives to foster their activities in the country – with an attractive regime of privileges and immunities. Section III explains Panama's offer for the FTAA Administrative Secretariat, dignitaries, officials and delegates, should the Venue be established here.

Likewise, Panama has 16 bi-national chambers of commerce with countries participating in the FTAA process, as well as numerous bi-national friendship and collaboration associations with other countries in the region.

Table 14 shows FTAA countries' embassies and consulates that are present or represented in Panama City and Table 15 presents the international organizations operating from Panama.



The City of Knowledge: Convergence center of science & technology, new economy businesses & international organizations

Table No. 14
FTAA Member Countries' diplomatic representations
in Panama

Country	Embassy	Consulate	Honorary Consulate	Concurrent Diplomatic Mission
Antigua & Barbuda			✓	✓
Argentina	✓	✓		✓
Bahamas				✓
Barbados				✓
Belice		✓	✓	✓
Bolivia	✓	✓	✓	
Brazil	✓	✓		
Canada	✓	✓		
Chile	✓	✓		
Colombia	✓	✓	✓	
Costa Rica	✓	✓		
Dominica				
Dominican Republic	✓	✓	✓	
Ecuador	✓	✓	✓	
El Salvador	✓	✓		✓
Grenada				
Guatemala	✓	✓		
Guyana				
Haiti	✓	✓		
Honduras	✓	✓		
Jamaica	✓	✓		
Mexico	✓	✓	✓	
Nicaragua	✓	✓	✓	
Paraguay	✓	✓		
Peru	✓	✓		
Saint Kitts & Nevis				
Saint Vincent & The Grenadines				
Saint Lucia				
Suriname				
Trinidad & Tobago			✓	
United States	✓	✓		
Uruguay	✓	✓		
Venezuela	✓	✓		

**Table No. 15
International Organizations with offices in Panama**

At an International Level

- Regional Office of the United Nations Development Programme (UNDP)
- Regional Auditing Service Center
- SURF (Subregional Resource Facility) Virtual Information & knowledge
- Regional Office for the Coordination of Humanitarian Affairs (OCHA)
- Regional International Organization of Agricultural Health (RIOAH)
- Regional Office of the United Nations Children's Fund (UNICEF)
- Regional Center of Indicators and Information for Latin America and the Caribbean (INFO-LAC)
- International Federation of Red Cross and Red Crescent Societies (IFRC)
- Food and Agriculture Organization of the United Nations (FAO)
- Japan Foreign Trade Organization
- Analysis and Information System (SIAL)
- Office of the United Nations High Commissioner for the Refugees (UNHCR)
- Authority for the Conservation of the Seabed
- World Health Organization (WHO)
- World Food Program (WFP)
- Japan International Organization for Cooperation (JICA)

At a Continental Level

- Latin-American Confederation of Credit and Savings Union (COLAC)
- Pan-American Tropical Tuna Commission
- Pan-American Center of Tax Administrators
- Regional Center on Water of the Humid Tropics of Latin America and the Caribbean
- Coordination Center for the Prevention of Natural Disasters in Central America (CEPREDENAC)
- Smithsonian Tropical Research Institute
- Spanish Agency of International Cooperation
- Organization of American States (OAS)
- Inter-American Development Bank (IDB)
- Latin American Export Bank (BLADEX)
- Panama - United States Commission for the Erradication and Prevention of the Screwworm (COPEG)
- Pan-American Health Organization (OPS)
- Inter-American Institute for Agricultural Cooperation (IICA)
- Organization of the Fishing and Fish Farming Sector of the Central American Isthmus
- Peace Corps *
- Special Olympics *
- Plan Internacional Inc. for Latin America & the Caribbean *

* Organizations that are negotiating with Panama

G. MIGRATORY TOPICS

ENTRANCE AND DEPARTURE PROCEDURES, INCLUDING VISAS AND DEPARTURE TAXES (IN US DOLLARS), THAT APPLY TO PERSONS CARRYING DIPLOMATIC, OFFICIAL AND ORDINARY PASSPORTS

As one of the most important international service and trade centers, Panama is a friendly country with an immigration system in accordance with its multicultural, multilingual and multiethnic nature, especially convenient to all countries in the hemisphere.

Entrance procedures when passengers arrive to Tocumen International Airport are short and expeditious. All migration and customs requirements are complied with in approximately 30 minutes. Likewise, the departure procedure takes approximately fifteen minutes.

Panama's offer, presented in Section III, includes the creation of a special immigration and customs line for FTAA delegates. The special lines will benefit delegates as they did to the negotiators during the period in which Panama was venue of the Temporary Secretariat.

Furthermore, the respectful and courteous nature of our immigration and customs authorities insure compliance with all international agreements regarding diplomatic and consular treatment and offer due courtesy to these officials in the airport.

The elimination of the visa requirement to comply with agreements or due to reciprocity is commonly applied to bearers of diplomatic, official or ordinary passports. Nationals from 22 FTAA member countries holding diplomatic, official and special passports, or from 11 member countries holding ordinary passports, do not require visas to enter Panama. Likewise, a tourist card purchased at the travel agency, in the airplane or upon arrival, enables holders of ordinary passports from 19 countries to enter Panama.

The Ministry of Foreign Relations has instructed its Treaty Section to proceed to complete negotiations of bilateral agreements to eliminate visas for diplomatic, official and special passports in the entire hemisphere.

Table 16 details current visa and/or tourist card requirements according to the type of passport.



Table No. 16
**Migration status of FTAA member countries to enter Panama using
Diplomatic, Official, Special and Ordinary Passports**

Country	Diplomatic, Official and Special Passport			Pasaporte Ordinario	
	Supression of Visa	Requires Stamped Diplomatic Visa	Do not requires a Stamped Visa	Requires Stamped Visa	Tourist Card
Antigua & Barbuda		✓		✓	✓
Argentina	✓		✓		
Bahamas		✓		✓	✓
Barbados	✓			✓	✓
Belice		✓		✓	✓
Bolivia	✓		✓	✓	✓
Brazil	✓		✓		
Canada		✓		✓	✓
Chile	✓		✓		
Colombia	✓			✓	✓
Costa Rica	✓		✓		
Dominica		✓		✓	✓
Dominican Republic	✓			○	
Ecuador	✓			○	
El Salvador	✓		✓		
Grenada		✓		✓	✓
Guatemala	✓		✓		
Guyana		✓		✓	✓
Haiti		✓		○	
Honduras	✓		✓		
Jamaica		✓		✓	✓
Mexico	✓			✓	✓
Nicaragua	✓		✓		
Paraguay	✓		✓		
Peru	✓			○	
Saint Kitts & Nevis	✓			✓	✓
Saint Vincent & The Grenadines		✓		✓	✓
Saint Lucia		✓		✓	✓
Suriname		✓		✓	✓
Trinidad & Tobago	✓			✓	✓
United States	✓			✓	✓
Uruguay	✓		✓		
Venezuela	✓			✓	✓

○ Requires a Compulsory Stamped Visa

PANAMA

Panama's offer, presented in Section III, includes the Liaison Office's responsibility of coordinating special treatment for multiple entrance and departure visas granted by the Ministry of Foreign Relations through the Panamanian diplomatic missions accredited in the FTAA member countries, as a courtesy to delegates bearing diplomatic and official passports. Likewise, the National Immigration and Naturalization Directorate will grant up to one year validity period, in the NON-RESIDENT VISAS of delegates bearing ordinary passports. Regarding ordinary passport visas, the Liaison Office will coordinate the appointment of Immigration authorities who will periodically visit the Permanent Secretariat to offer an on site NON-RESIDENT VISA extension service.

Below are the requirements to request and obtain each of these visas and/or tourist cards:

Stamped Visa - Diplomatic, Official and Special Passport

Necessary documents to apply for a Stamped Visa in a Diplomatic, Official and Special Passport:

- A valid Diplomatic, Official and Special Passport.
- A Diplomatic Note from the Ministry of Foreign Relations of the recipient country requesting the visa and indicating the duration and reason for the visit to Panama, as well as the official's status.
- Two passport-size color photos with a white background.
- Fill out the Diplomatic Visa application form.

Procedure to apply for a Stamped Visa in a Diplomatic, Official and Special Passport:

- Through the Panamanian embassy accredited in the requesting country.

Processing Time:

- The procedure takes 24 hours.

Cost:

- None

Duration:

- Based on time requested in the diplomatic note and the consideration of Mission's Head.

Stamped Visa - Ordinary Passport

Necessary documents to apply for a Stamped Visa in an Ordinary Passport:

- A valid passport and photocopy (its validity shall be a minimum of six months after the time of travel).
- Fill out the Visa Application form.
- Two passport-size color photos with a white background.
- Evidence of a good standing economic condition.
- Round-trip air ticket or travel schedule with evidence of a return trip.

Processing time:

- Applications by interested party require a processing time from 24 hours to 10 days, depending on the nationality.



Cost

- The law establishes a cost of US\$ 30.00; however, many Panamanian consulates abroad charge administrative costs (fax).

Duration:

- Valid for 30 days.
- A 60-day extension may be obtained at the Immigration and Naturalization office by requesting said extension, seven days before the first 30 day time limit.}
- If an extension of more than 90 days is required, the Immigration and Naturalization office must be visited before the 90-day period ends.

Tourist Card

Necessary Documents to get a Tourist Card:

- A valid passport. All travelers bearing ordinary passports must have a passport with at least a 6 months' validity before its expiration date.
- Return ticket and documents to enter another country.
- Evidence of a good standing economic condition.

Procedure to get a Tourist Card:

- The airline sells the Tourist Card when registering at the departing airport.
- It may be purchased upon arrival at the Airport from Immigration authorities.

Processing Time:

- Immediate.

Cost:

- US\$5.00

Duration:

- Valid for 30 days.
- A 60-day extension may be obtained at the Immigration and Naturalization Office requesting so up to seven days before the first 30 days expire.
- The tourist card authorizes a 90-day stay in Panama.
- If an extension of more than 90 days is required, the Immigration and Naturalization office must be visited before the 90-day period ends.

Panama charges a US\$ 20.00 departure tax at the airport. This tax is included in the air ticket's price. Bearers of diplomatic and consular passports are exempt of paying this tax and only need to present their passports when purchasing the air ticket. Bearers of official and ordinary passports pay the airport tax, however, senior citizens are entitled to a 50% discount.



H. FINANCIAL AND OTHER RESOURCES

COMMITMENTS FROM THE GOVERNMENT OF PANAMA IN CASH AND IN KIND

Site of the FTAA Permanent Secretariat

The Panamanian Government offers the use of the totality of the facilities of the Atlantic-Pacific Convention Center (ATLAPA), which shall be made available to the Permanent Secretariat of the FTAA, taking into consideration their office space and/or meeting rooms requirements . According to the Secretariat's needs, it shall have precedence in the availability of areas that are occasionally or eventually needed, such as the Anayansi Theatre, the different exhibition rooms, the La Huaca Theatre, among others. There is sufficient infrastructure capacity in order to meet the Secretariat's increasing needs of space and the future areas required by the FTAA Permanent Secretariat in the ATLAPA Convention Center.



ATLAPA Convention Center

The ATLAPA Convention Center is strategically located in Panama City close to hotels, monuments, tourist attractions, and residential, school, commercial, university and sports areas. It is next to the Caesar Park Hotel, former venue of the FTAA Temporary Secretariat (2001-2003). It is conveniently located at the exit of the Southern Corridor, the speed-way to Tocumen Airport, which provides access to the Convention Center in less than ten minutes.

The ATLAPA Convention Center is the largest convention, exposition, congress and show infrastructure in Central America and the Caribbean. It is a fabulous 8-hectare complex on the Pacific Ocean coast with a maximum meeting capacity of 10,500 persons.

The center's multiple facilities include an impressive 2,806-seat theatre-auditorium equipped with the most sophisticated lighting and sound systems designed with acoustic quality. The 3,200 square meters exhibition area has a maximum meeting capacity of up to 5,000 persons. Furthermore, there are 19 luxurious and versatile carpeted meeting rooms that can be equipped and prepared to meet all kinds of needs.

ATLAPA has a second theatre with capacity for 600 persons seating in mobile chairs, thus providing an ideal space for artistic events, congresses, conventions and banquets. All the meeting rooms in the Convention Center are equipped with a modern wireless simultaneous translation system for six languages.

Numerous events have been staged at the ATLAPA Convention Center; such as the OAS General Assembly, the 1986 Miss Universe Pageant, presentations by famous artists, and 22 versions of the largest commercial exhibit in Latin America and the Caribbean, EXPOCOMER. In addition, the center currently houses the offices of the Panamanian Tourism Bureau, which is the promoting and regulatory entity for national tourism.

Refurbishing the Secretariat

The Panamanian Government, owner of ATLAPA, commits itself to provide the necessary space for the operation of the Permanent Administrative Secretariat in adequate working conditions. To comply with this commitment, it will deliver the offices duly painted, with new carpeting and advanced electrical and telecommunication facilities. The Panamanian Government will assume the structural maintenance of the Administrative Secretariat offices, as well as the annual costs of cleaning and/or maintaining the Venue of FTAA Secretariat.

Meeting Rooms

The Panamanian Government, by means of a previous agreement with the Administrative Secretariat, will refurbish the requested meeting rooms for permanent use by FTAA delegates. These rooms will be equipped with the required technical systems for simultaneous translation. The Panamanian Government will also provide the rooms in ATLAPA that will be needed to hold the meetings of the Administrative Secretariat and other FTAA entities, granting precedence and in accordance to the requirements of the Administrative Secretariat.

Furniture

The Panamanian government offers to supply the Administrative Secretariat with furniture, and office and technological equipment in accordance with the approved requirements to establish the FTAA Secretariat's Permanent Venue.

Office Expenses

The Panamanian Government offers to pay the cleaning and maintenance expenses of the installations of the FTAA Secretariat's Permanent Venue, as well as the water service.

Security

Security of the Administrative Secretariat offices will be provided by the Panamanian Government, in compliance with the FTAA Security Plan prepared by the Public Defense and Security Council, which is included in Annex 3 of this Section.

Annual Contribution

The Republic of Panama is willing to consider disbursing a cash contribution, in addition to the contribution that the Panamanian Government will assume to comply with its obligations as member of the FTAA.

OTHER COMMITMENTS THAT THE PANAMANIAN GOVERNMENT IS WILLING TO ASSUME IN RELATION TO THE INSTALLATION AND OPERATION OF THE FTAA PERMANENT SECRETARIAT.

Housing - FTAA City

The offer includes the proposal to grant four houses in Panama City suitable to accommodate the Secretary General and three Secretariat's high-ranking officials. Furthermore, Panama offer sixteen additional houses located in a complex surrounded by green areas, with excellent access to public services, 15-minutes away from the ATLAPA Convention Center.



This housing complex shall be part of an FTAA City, infrastructure that the National Government will provide in comfortable and conveniently located reverted areas. The Panamanian Government is committed to turn over the 20 houses duly refurbished for immediate use. The Panamanian Government will provide structural maintenance of these homes, as well as the minor repairs that may be necessary, pursuant to an agreement between the Panamanian Government and the Administrative Secretariat. The Panamanian Government will provide around-the-clock security for the complex.

Offer to open Permanent Missions to the FTAA

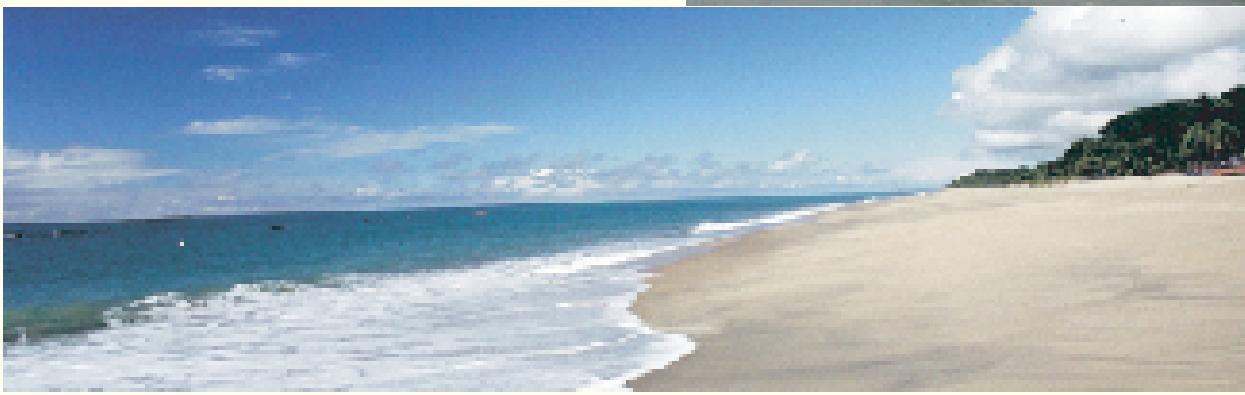
Panama's offer includes the possibility for all FTAA member countries to accredit offices or Permanent Missions under the Agreement, starting from the date that the Permanent Secretariat is formed or its juridical status has been recognized.

The mission chiefs and representations of each country will enjoy the same privileges and immunities set forth in the Vienna Convention in regard to diplomatic relations and will be included in the list of diplomatic representatives accredited with the Panamanian Government.

Offer for the offices for FTAA Permanent Missions, permanent representatives and/or delegates

Panama is offering to provide guidance in real estate matters for the installation of offices by Permanent Missions, Permanent Representatives and/or Delegates from countries with small economies in the hemisphere. A good example of this assistance is the House of the Caribbean, which is currently under construction.

In Section III, the Republic of Panama describes its offer regarding privileges and immunities, lodging, airfares and telecommunications.



Kobee Beach, located a short distance away from FTAA City, where the most modern Beach Resort in Panama is currently being built



ATLAPA Convention Center - Proposed site for the FTAA Secretariat

III. SECTION 3 - ADDITIONAL COMMITMENTS

LIAISON OFFICE BETWEEN THE PERMANENT FTAA SECRETARIAT AND LOCAL OR FEDERAL AUTHORITIES

In 2001, the Government of Panama created a Liaison Office to provide assistance and logistic and technical support to the Temporary Venue of the FTAA Administrative Secretariat during the period in which Panama City served as host of the negotiating process, from 2001 to 2003. This was the first time that the Administrative Secretariat operated with a Liaison Office. The good experience of the Liaison Office through Panama's initiative is a factor that was pondered and included in the elements to be considered when evaluating the candidate cities.

The Liaison Office that worked with the Administrative Secretariat during the 2001-2003 period, coordinated inter-institutional actions with the Panamanian private and public sectors to facilitate the services, assistance, and logistic and technical support that contributed to the success of the negotiations in Panama.

The Republic of Panama offers the FTAA Permanent Secretariat, the services of a National Liaison Office to ensure the favorable establishment of its installations in Panama and the future effectiveness of its operation.

The National Liaison Office to Permanent Secretariat of the Free Trade Area of the Americas (FTAA) would be established as an Intergovernmental Office under the Ministry of Industry and Trade.

Objetive:

To serve as a facilitator between the National Government and the FTAA Permanent Secretariat by coordinating government efforts as host country and providing the required support and assistance for the normal and efficient operation of this organization in Panama.

Organization:

The National Liaison Office staff would include an Executive Director and technical and administrative personnel to provide support to the installation of the Permanent Secretariat in Panama and would facilitate its operation, as required by the FTAA Permanent Secretariat and in accordance with National Government directives. Panama commits to establish this Liaison Office immediately after Panama has been selected as the FTAA Venue.

The National Liaison Office Executive Director would be Panama's representative to the FTAA Permanent Secretariat.

Functions:

1. To facilitate the installation of the FTAA Permanent Secretariat in Panama.
2. To establish and monitor the Venue Agreement between the FTAA Permanent Secretariat and the National Government.
3. To assure the compliance of all government commitments for the establishment and operation of the Permanent Secretariat in Panama.
4. To coordinate and monitor the proper budget execution of the State's contribution to the FTAA, whether in cash and/or in kind, based on the provisions established in the Agreement between the Government of Panama and the FTAA Permanent Secretariat.
5. To offer logistical support and provide the information requested by the Secretariat and/or delegates for the effective accomplishment of their activities in the country.
6. To guarantee that the legal, labor and political status offered to the FTAA, its personnel and delegates of member countries is honored.
7. To report to the Minister of Trade and Industry of all requests and activities carried out by the Permanent Secretariat that require governmental involvement.
8. To coordinate with the appropriate entities, all requests presented by the FTAA Permanent Secretariat.
9. To keep the official files of the government's endeavor regarding the FTAA Venue.
10. To maintain direct contact with Panamanian Embassies and Trade Missions abroad and provide information to diplomatic missions and Permanent Offices accredited in the country regarding government activities and requests related to the FTAA.
11. To insure the normal and efficient execution of FTAA meetings in Panama.
12. To provide assistance to delegates from other countries in order to allow the successful undertaking of activities that may require the support of the Panamanian government.
13. To comply with the commitment of providing security to the Permanent Secretariat Venue, its personnel and delegates of the FTAA countries.
14. To coordinate, as State representative, all the services provided by government and private institutions.
15. To create and update the "Panama FTAA Venue" Web Page.
16. To prepare newsletters on the efforts and progress of the FTAA process in the country.
17. To inform the national and international media on the actions by the Republic of Panama to insure the operation of the FTAA Secretariat Venue in the country.



The Ministry of Trade and Industry will take the necessary provisions to establish adequate mechanisms to provide the National Liaison Office with the necessary resources to ensure its operation.

The National Liaison Office will not have a direct involvement neither in present nor future FTAA negotiations at governmental level by Panama or any another delegation of a FTAA member country.

Location:

The Government of Panama will define the location of the National Liaison Office. If it is considered convenient by the Permanent Secretariat, it could be located in the FTAA Venue in order to carry out its functions in an expeditious way.

AGREEMENT REGARDING THE HEAD OFFICE TO DETERMINE THE LEGAL SITUATION OF THE PERMANENT FTAA SECRETARIAT AND ITS PERSONNEL, INCLUDING PRIVILEGES AND IMMUNITIES.

PROPOSALS ON THE AGREEMENT FOR THE FTAA VENUE IN PANAMA

The venue agreement proposal includes:

- Recognition of legal status, with capacity to rent and dispose of properties and to institute judicial and administrative actions, similar to the regime granted to international organizations, pursuant Panamanian legislation (Cabinet Decree No. 280 of 1970);
- Appropriate offices and meetings facilities for the FTAA Secretariat;
- Assistance in the installation of utilities required by the Permanent Secretariat;
- Inviolability of Permanent Secretariat installations, files and documents, as well as communication and correspondence;
- Security for the Permanent Secretariat installations, furniture and other possessions, exempt of registration, seizures, embargo or execution measures;
- Jurisdictional immunity over judicial actions against the Permanent Secretariat, its installations and other possessions;
- Right to use passwords and to dispatch and receive correspondence through messenger or valise, with the same immunity of the diplomatic mail and valises;
- Exoneration of direct and indirect taxes on the purchases of equipment, automobiles and other goods acquired by the Permanent Secretariat, for its use;
- Concession to the Executive Secretary and family members of the privileges and immunities of diplomatic agents;
- Concession to the officials of the Permanent Secretariat, FTAA technicians or experts, of privileges and immunities, not less favorable than those granted to officials, technicians or experts of international organizations. The above-mentioned persons will be exempt of:
 - Immigration restrictions, and the requirement of making deposits or repatriation guarantees;
 - Jurisdiction by the national authorities with regard to spoken or written words that express, or actions executed, in the exercise of their official duties;
 - All taxes and charges over the salaries and payments by the FTAA;
 - All personal performance of public services, whichever their nature;



- Customs rights, taxes and related charges on baggage and domestic furniture, when arriving for the first time to the country;
- Customs levies, taxes and related charges on an automobile every two years for personal use;
- License plate tax for a personal automobile, including the cost of the plate;
- Gasoline consumption tax;
- Social security provisions in force in the Republic of Panama;
- Export rights or taxes on furniture and goods, including an automobile, when returning to their country of origin or moving to another destination;
- Taxes and related charges on articles or objects for personal use or consumption.
- The Republic of Panama will allow the dependents of the Permanent Secretariat officials to carry out remunerated activities in the Republic of Panama;
- The Republic of Panama is willing to honor the terms hereby offered regarding the grant of privileges, immunities and benefits, and even evaluating a subsequent consideration of improving these conditions after a prior negotiation process and agreement among the parties.

Annex 4 presents the legal proposal for this Agreement, which is being provided as a reference for the consideration and negotiation by the parties.

ENTRANCE AND DEPARTURE PROCEDURES, SUCH AS VISA REQUIREMENTS, FOR DELEGATES AND HIRED PERSONNEL (INTERPRETERS AND TRANSLATORS) OF THE PERMANENT FTAA SECRETARIAT.

Entrance and Departure Procedures

Special Treatment for Multiple Entrance and Departure Visas

As part of the Liaison Office responsibilities, the Republic of Panama offers to coordinate a special treatment for multiple entrance and departure visas, that will be granted by the Ministry of Foreign Relations through the different Panamanian diplomatic missions accredited in FTAA countries, in order to benefit delegates bearing diplomatic, official, special or service passports.

Visa Requirements for Diplomatic, Official and Special Passports

The Ministry of Foreign Relations has instructed its Treaty Section to proceed to complete negotiations of bilateral agreements to eliminate visas for diplomatic, official and special passports in the entire hemisphere.

Expedited Procedure for the Extension of Non-Resident Visas

Coordination will be made with the National Immigration and Naturalization Directorate to extend for one year the NON-RESIDENT VISAS of the delegates bearing ordinary passports.

Special Lane at the Airport

Panama's offer includes the creation of a special immigration and customs line for FTAA delegates. The special lines will benefit delegates as they did negotiators during the period in which Panama was the Venue of the Temporary Secretariat.

