

Introduction

Panama is a country located in Central America on the isthmus connecting North and South America. It is bordered by Costa Rica, Colombia, the Caribbean Sea, and the Pacific Ocean. The geography of Panama is mountainous. The government system is a constitutional democracy; the chief of state and head of government is the president. Panama has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation.



Location: Central America

Capital City: Panama City (-5 GMT)

Chief of State: President Juan Carlos Varela

Head of Govt.: President Juan Carlos Varela

Currency: Balboa (PAB)

Major Languages: <p>Spanish (official), indigenous languages (including Ngabere (or Guaymi), Buglere, Kuna, Embera, Wounaan, Naso (or Teribe), and Bri Bri), Panamanian English Creole (similar to Jamaican English Creole; a mixture of English and Spanish with elements of Ngabere; also known as Guari Guari and Colon Creole), English, Chinese (Yue and Hakka), Arabic, French Creole, other (Yiddish, Hebrew, Korean, Japanese)</p>

Primary Religions: <p>Roman Catholic 85%, Protestant 15%</p>

Calling Code: 507

Voltage: 110

Key Websites

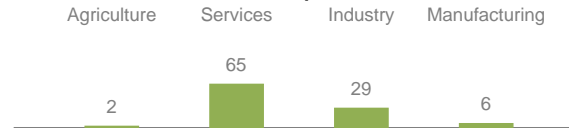
Main Government Page: presidencia.gob.pa

Commerce Ministry: mici.gob.pa

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$100.19 billion (2017)
GDP growth (annual %):	5.36% (2017)
GDP per capita, PPP (current international \$):	\$24,445.97 (2017)
External debt stocks, total (DOD, current US\$):	\$89,492,146,000.00 (2016)
Manufacturing, value added (% of GDP):	6.05% (2017)
Current account balance (BoP, current US\$):	-\$3.04 billion (2017)
Inflation, consumer prices (annual %):	0.88% (2017)
Labor force, total:	1,991,732 (2017)
Unemployment, total (% of total labor force) (modeled ILO estimate):	4.49% (2017)
Imports of goods and services (current US\$):	\$26.54 billion (2016)
Exports of goods and services (current US\$):	\$23.93 billion (2016)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	96 / 178
Global Competitiveness Index	64 / 139
Global Enabling Trade Index	58 / 136
Global Services Location Index	41 / 55
Index of Economic Freedom	54 / 180
International Logistics Performance Index (LPI)	38 / 160
Inward FDI Potential Index	67 / 139
KOF Index of Globalization	62 / 185
Networked Readiness Index (NRI)	55 / 139

Risk Assessment (Provided by Coface)

Country rating: A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behavior. Corporate default probability is still acceptable on average.

Business Climate rating: A4 - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

Strengths

- Interoceanic canal and related infrastructure (ports, airports, roads, railway tracks)
- Fully dollarized economy and financial stability
- Colón Free Trade Zone, world's second-largest import-export platform
- Regional banking and financial center served by excellent telecommunications
- Tourism potential

Weaknesses

- High exposure to North and South American economies
- Deficiencies in education and vocational training
- Wide disparity between the canal zone and the rest of the country
- Corruption and nepotism; bureaucracy

U.S. Embassy

U.S. Embassy Panama City
 Building 783, Demetrio Basilio Lakas Avenue
 Clayton, Panama
 Phone: (507) 317-5000

<https://pa.usembassy.gov>