



Panama

Trip Information Kit





With two dazzling blue coastlines, Panama offers anything from scuba diving with sharks and zip-lining through the rain forest canopies to swimming alongside sea turtles and relaxing in beach hammocks. Aside from being a prime leisure travel spot, Panama's capital city has also established itself as a thriving center for international banking and trade, stemming from the country's main source of jobs and revenue: the Panama Canal.

Bienvenido a Panama

This information packet is designed to provide general information about Panama and answer basic questions as you prepare for your upcoming trip to Latin America.

Located between Costa Rica and Colombia, Panama is the tiny Isthmus in the shape of a loose "S" that adjoins North America and South America. The country was discovered in 1501 by Rodrigo de Bastidas and Panama City was founded in 1519, about 100 years before the first US Colony was settled. The principal language in Panama is Spanish, however with an increasing influx of ex-patriots relocating there, English is becoming more and more predominant and is spoken in Panama's main cities. Estimates find Panama's population to be more than 91.9% literate and there is free public education for all children. Christianity and Roman Catholicism prevail in Panama, however there is freedom to practice all religions and other dominations are also found throughout the country. Panama City is considered the third least expensive city in the world.

Full Name	Republic of Panama
Population	3,608,431 (July 2010 est.)
Capital	Panama City
Area	78,200 sq km (30,193 sq miles)
Major Language	Spanish, English
Major Religion	Roman Catholic
Life Expectancy	72 years (men), 78 years (women) (2005 est.)
Monetary unit	US Dollar; Balboa
GDP Per Capita	US \$11,037USD (World Bank, 2013)



History Brief

Before the arrival of the Spanish, various indigenous groups lived on the land that is now named Panama. While most of these indigenous populations have died off over time, throughout the years, tales have been passed down about the original indigenous cities that once existed throughout the country. Furthermore, it is suspected that the cities and people were part of a trading zone that stretched between Mexico and Peru.

The Spanish arrived to Panama in 1501 on an expedition led by Rodrigo de Bastidas and his first mate Vasco Núñez de Balboa. Years later, after disappointment that the land was not laden with gold and various disputes between the Spanish, Panama City was founded by the revengeful Spaniard Pedro Arias. Arias led Panama to become an important Spanish settlement, as well as a commercial and exploration base only for it to be burnt to the ground by Sir Francis Drake of England in 1572. The Spanish rebuilt the city near its original site; today the remains of the original city are referred to as “Panamá Viejo” inside the present-day Panama City. In 1821 Panama claimed independence from Spain and became part of Gran Colombia.

In 1846 a treaty was signed between Colombia and the US agreeing to the construction of a railway across the Panamanian Isthmus. The railroad was protected by the military and was used as a route for goods and people traveling from the US East Coast to the West Coast and vice versa. In 1878, the French were contracted by Colombia to build the infamous canal connecting the Atlantic and Pacific Oceans. However, it was not an easy feat and the job of constructing the canal was underestimated. Within ten years of work, over 22,000 canal construction workers died from infectious diseases such as Yellow Fever and Malaria. Soon after, the original contractor folded and the French contractor tried to sell the canal concessions to the US. Colombia however intervened and the sale was discarded.

In 1903, Panama gained independence from Colombia, and was immediately supported by the US government and protected against further disputes with Colombia. It was not until 1921, due to payment US\$25 million from the US, when Colombia finally considered Panama as an independent nation.

From then on, the US controlled canal concessions and was granted ‘Sovereign rights in perpetuity over the Canal Zone’. While this caused uneven times between the US and Panama, the construction of the canal began again in 1904. Diseases and natural disasters had to be defeated in order to complete the project, but the canal was finished within the following decade and the first ship passed through the canal on August 15, 1914.

During the next fifty years, friction between the US and Panama increased due to the animosity related to the constant US intervention in Panamanian affairs. The Canal remained under US control until 1979, when a treaty was signed, causing the canal to be co-controlled by the US and Panama. In 1999, Panama was granted full control over the canal.

Economy

Panama’s economy is service based including services such as the Panama Canal, banking, the Colon Free Zone, insurance, container ports, flagship registry, and tourism. Panama is listed as the 71st freest country when it comes to economic freedom (2014). To start a business, there is a series of procedures that must be followed but no minimum capital is needed.

Today, sixteen percent of US-born trade passes through the canal. Due to a law established in 2007, multinational companies who establish headquarters in Panama receive extensive benefits including corporate tax incentives, middle to general management personnel incentives, and expedited immigration and visa services, among others. Since the enactment of this law, over 105 multinational companies have established branches in Panama.

Government

Panama is a constitutional democracy consisting of nine provinces. The government consists of a representative democracy made up of three branches: an executive branch, a legislative branch and a judicial branch. Both the executive and legislative branches are elected by direct vote for 5-year terms, and the judiciary branch is appointed independently. Voting is required by everyone over the age of 18, however there is no penalty for those that do not comply with this law.

Trip Preparation

Preparation is essential to ensure a great experience. Please read the following tips and make sure that you pack appropriately to avoid potential problems.

Fast Facts

- Panama has the lowest population in Central America
- Panama had 10.7% GDP Growth in 2013
- \$331,200 was the most expensive toll ever paid to pass through the Panama Canal
- Panama has the second largest duty free zone in the world
- Panama has the largest registrant of offshore companies in the world after Hong Kong
- 16% of all US-born trade passes through the Canal
- There are more than 1,500 islands that are part of Panama
- In 1999, Mireya Moscoso was elected as Panama's first woman president
- In Panama you can swim in the Atlantic and Pacific oceans in the same day
- Panama City is the only capital city that has a rain forest within the city limits
- Panama is known for having the most diverse wildlife in Central America and has a mix of North and South American Species

Dress Codes

The daily dress code is listed on the itinerary for each day. The dress code will depend on the daily activity. In general, visits to companies will require business casual dress. Follow these general guidelines:

Business formal

Tie and jacket for men; suit, slacks or skirt and blouse for women.

Business casual

Khakis and button down shirts for men; slacks or skirt and blouse for women.

Casual

Jeans and athletic shoes may be worn.

Outdoor

Athletic or outdoor pants suggested.
Athletic shoes, hiking boots, or sport sandals.

Proper business attire in meetings and business occasions is a must, although for casual events (such as dining in a restaurant) casual wear is commonplace.

Tipping

It is usual to tip at restaurants and bars in Panama. The standard rate is 10% and this is generally not included in the bill unless otherwise stated. It is not necessary to tip in small cafes or very casual dining situations. It is not customary to tip taxi drivers, and the drivers do not expect tips. Gratuities for group meals that are listed in the itinerary and for bus drivers, travel hosts and tour guides have been included as part of The Austral Group service.

Calling Home

The cheapest way to call abroad is to use Skype, or a local calling card available in the supermarkets, drugstores, and pharmacies. ClaroCOM is a recommended prepaid calling card, costing around 5 cents per minute when calling the US. Many cyber cafes also have calling services but the prices are usually higher than using the calling card.

Safety

Panama City is much safer than many capital cities and many tourists visit without any safety issues. However, always use common sense when out and about during the day and night. It is not recommended to walk around the old city (Casco Viejo) at nighttime, especially when you are alone or with a small group. It is also recommended to not wonder off on your own in the Casco Viejo area at any time of day. Always explore with at least one other person, preferably in a group.

Valuables including your passport, should be kept in the safe in your hotel room. We suggest you bring a photocopy of the photo page of your passport to carry with you at all times in case local authorities request to see them. In the event of theft, you should immediately contact Austral Group. It is best to carry only what you need when walking around. Pick pocketing is common in many areas of Panama and smart phones seem to be a particular target.

Useful Information

These tips will ensure that you know what to expect in Panama.

Transportation

You will be provided with transportation from your hotel to all scheduled meetings and venues. For transportation not included in the schedule, we suggest asking the hotel concierge to arrange for a taxi service. Flagging taxis on the street is generally safe and reliable, but some drivers may try to scam tourists.

Metro

Panama City has a brand new metro train that connects the city center to the surrounding countryside. So far, visitors have little need for the metro and prefer to travel via taxi when moving around the city. If you would like to use the metro system, each trip costs \$1.50.

Language

Spanish is the official language of Panama; however, English will be used during your tours and meetings. There has also been significant growth in the amount of English speakers in Panama due to the increase in Expatriots relocating to Panama.

Currency and Banking

Panama's traditional currency is the Balboa but the official currency is the US Dollar. US bills are used throughout Panama. Panamanian coins are also similar to the US currency coins, worth 1, 5, 10, and 25 cents, and there is a 50 cent coin as well.

Credit cards

Credit cards are accepted in most hotels, restaurants and major shops. The most commonly accepted cards are Visa, Master Card, and American Express. Exchange rates for credit cards are convenient, however it is important to carry enough cash while exploring as there are smaller shops or restaurants that will not accept credit cards. Furthermore, it is important to notify your bank that you will be traveling in South America because some banks have to ensure that your card is activated for transactions abroad.

Automatic Teller Machines

ATMs are found throughout Panama's cities and well-populated areas. Many ATMs honor Cirrus, Visa, Plus and Maestro cards. Please note that most banks charge a transaction fee for international ATM withdrawals, which can vary between USD\$3 and USD\$8. Use ATMs in safe and exposed areas to avoid ATM fraud.

Electric Supply

The power supply in Panama is 110 Volts @ 50 Hz, same as the US.

Electric Plugs

Panama uses type A plugs with two flat prongs, same as in the USA.

Water

The water supply in big cities is potable and safe to drink. To avoid any complications, we suggest you drink bottled water, which you can buy in pharmacies, supermarkets, or sidewalk kiosks.

Goods and Services Tax

Most goods and services are subject to a 7% value added tax. However, there is a 10% value added tax on accommodations and alcohol, and a 15% value added tax on tobacco. Tax is not charged for food, medicine, medical services or crude oil.

General Packing Tips

- Clearly identify your luggage inside and out with your name and hotel and home address;
- Place a strap around your suitcase to secure it in case the lock breaks, and to identify it easily at baggage claim;
- Check your airline regulations for weight, size and number of bags;
- In your carry-on, keep a change of clothes, toiletries (no liquids), valuables, important documents (passports, visas, arrival instructions) and medication;
- We suggest you carry-on a coat;
- Consider bringing an extra empty suitcase or bag to carry souvenirs and purchased items

Items to bring

- 3 photocopies of your passport information page (the page with the photo). Also leave a copy at home.
- Photocopy of your prescription medications.
- Photocopy of your medical insurance card.
- International calling card and access numbers for dialing from Chile.
- Leave a copy with someone at home of phone numbers to cancel credit cards in case of theft.
- Camera
- April-December: Travel umbrella
- All year round: Sunglasses and hat. Sunblock.
- Day pack (for short trips; this could double as your carry-on)
- A pocket Spanish-English dictionary (optional)

Clothing

- Check itinerary for daily dress recommendations
- Clothing appropriate for indicated climate. . Keep in mind that Panama's climate is very warm and humid most of the time so heavy clothes will not be needed
- A lightweight jacket and/or a lightweight rain jacket
- Comfortable walking shoes.
- Workout clothes (if applicable).

Toiletries

- Prescription drugs for the duration of your time abroad.
- Extra eyeglasses, if available (if applicable)
- Extra contact lenses (if applicable)
- Pack only as many toiletry items as you will use. Small sample sizes are preferable. Remember that the hotels will provide soap, shampoo and other items.

Emergency Contacts



The Austral Group
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 Calling from USA (normal office hours):
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Embassy and Consulate of the United States of America
 Building 783, Demetrio Basilio Lakas Avenue
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 Phone: (507) 317-5000
 Monday-Thursday: 10:30am - 12 noon and 3:00 pm - 4:30 pm
 Friday: 10:30am – 12:00 noon



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 Monday - Friday: 8:30 a.m. - 1:00 p.m.
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