

IMMIGRATION Rules and Visa types in
PANAMA

The following is a document outlining, in general terms, the different types of rules and visas currently offered by the Panamanian government.

This information is presented only in a general and informative manner. Any of the alternatives in question must be consulted with a reliable professional since there are many details, steps and requirements involved in each particular case which must be taken into consideration.

At the time of preparation of this report, one Balboa (B/.) is the equivalent of one U.S. dollar (US\$). Also, all qualifications used here (i. e., micro enterprise, macro entrepreneur, etc.) are those officially used by the authorities at the moment we prepared this document.

1. Visa as micro enterprise investor (required to invest from B/.40,000.00 to B/.150,000.00):

This type of visa is granted to foreign individuals who intend to establish their residence in the Republic of Panama as micro enterprise investors. The aforementioned necessary funds must be invested directly in a corporation with an authorized share capital ranging from a minimum of forty thousand USDollars (US\$40,000.00) to a maximum of one hundred fifty thousand USDollars (US\$150,000.00). The investing party must be a shareholder and an officer in the enterprise in which he/she has invested the aforementioned funds. The enterprise in question must maintain at all times a payroll of at least three full time Panamanian employees, each earning the minimum salary established by Panamanian legislation.

The investing party must arrange for the issuance by the enterprise, of share certificates attesting to his/her ownership of the total amount of funds invested therein (a minimum of US\$40,000.00).

Once the aforementioned visa is granted, the investing party is granted an official authorization for him/her to reside in Panama for one (1) year. Shortly before expiration of said term, the investing party must officially request an extension thereof for another year, and so on, up to a maximum of four (4) official extension periods.

At the end of the fourth extension period, the investing party is then in a position to apply for and obtain permanent residence as a micro enterprise investor with the right to “cédula” (Panamanian personal identification card).

2. Visa as macro enterprise investor (required to invest a minimum of B/.150,000.00):

This type of visa is granted to foreign individuals who intend to establish their residence in the Republic of Panama as macro enterprise investors. The aforementioned necessary funds must be invested directly in a corporation with a minimum authorized share capital of US\$150,000.000 (one hundred fifty thousand USDollars). The investing party must be a shareholder and an officer in the enterprise in which he/she has invested the aforementioned funds. The enterprise in question must maintain at all times a payroll of at least three full time Panamanian employees, each earning the minimum salary established by Panamanian legislation.

The investing party must arrange for the issuance by the enterprise, of share certificates attesting to his/her ownership of the total amount of funds invested therein (a minimum of US\$150,000.00).

The advantage of this particular visa is that once it has been approved, the investing party is granted an official authorization for him/her to reside in Panama for one (1) year. This official authorization is denominated *Provisional Permanence Permit*. At least one month before expiration of the said provisional permit, the investing party is then in a position to apply for and obtain permanent residence as macro enterprise investor with the right to “cédula” (Panamanian personal identification card).

3. Special Temporal Visitor Visa:

This type of visa is granted to non-Panamanian executives working for corporations located here in Panama. The following mandatory requirements should be complied with:

- a. The salary of the applicant must come from sources abroad.
- b. The monthly salary of the applicant must not be less than US\$1,000.00
- c. The applicant must work for enterprises whose operations are carried into effect and developed outside the territory of the Republic of Panama.

4. Visa granted pursuant to resolution by the Labor Ministry approving working permits for an allowed 10% quota of ordinary personnel:

This type of visa allows any given corporation to bring into the country, initially as an immigrant and thereafter as a permanent resident, any non-Panamanian individual whose services are needed or desired by the said corporation.

The official approval for the granting of this particular visa is dependent solely on the final decision of the Labor Ministry as to whether or not authorize the issuance of the necessary working permit.

5. Visa granted pursuant to resolution by the Labor Ministry approving working permits for an allowed 15% quota of specialized personnel:

This type of visa is ideal for those non-Panamanian individuals who enter Panama for the purpose of rendering specialized services in the capacity as technician or expert, for a term no longer than five (5) years,.

The official approval for the granting of this particular visa is dependent solely on the final decision of the Labor Ministry as to whether or not authorize the issuance of the necessary working permit.

Working Permit

Every non-Panamanian individual working in Panama requires to apply for and obtain a working permit to be granted by the Labor Ministry. Said working permits are valid for one (1) year and must be renewed shortly before their expiration. The type of working permit to be granted depends on the type of visa requested.

Export Processing Zones

The Export Processing Zones were created here in Panama by means of Law No. 25 of 30 November 1992 for the main purpose of offering the advantages of Panama as a platform for industrial production and distribution.

The aforementioned law offers labor, fiscal and immigration incentives, provided the enterprises located therein are engaged in activities such as manufacture, assembling, high technology, telecommunications, packing, printing works, general and specialized services, computer technology, etc.

City of Knowledge

The City of Knowledge is a complex of many enterprises engaging mainly in education, innovation, research and investigation within organized parameters conceived to facilitate the synergy among the various universities, scientific investigation and research centers, business enterprises and international organizations. The City of Knowledge is located in 120 hectares surrounding the Panama Canal area and is fitted with ample premises and fully operational communication services.

The fundamental mission entrusted to the City of Knowledge is that of guaranteeing the development thereof as an area wherein the communication exchange among its three main components is promoted, that is to say, the corporate component, the international organizations component and the academic component.

Advantages offered by the City of Knowledge:

- a) Fiscal and immigration incentives through affiliation to the City of Knowledge Foundation Project.
- b) Telecommunications, computer and educational technology, including a conventions center (CIALT) fully fitted for teleconferences, education at distance, fast Internet connection and many other services.
- c) Infrastructure and premises in excellent maintenance conditions, easily adaptable for various and diverse usages.
- d) Food and Lodging complementary services.
- e) Recreation and sport installations.
- f) Access to the principal centers of high professional education and scientific investigation research in the country.
- g) Centric location. Bordering the Panama Canal area, it is in itself a living laboratory ready for scientific research and technological innovation in areas such as the highly complex tropical ecosystems.
- h) Technical, administrative and counseling services.

This document was accurate and its contents valid at the time of its publication. However, Ballard & Ballard can not held responsible for any changes or modifications thereof made by the authorities. Its only purpose is to serve as a general guide and in no way it pretends or purports to be an official guide of the Panamanian Government.

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