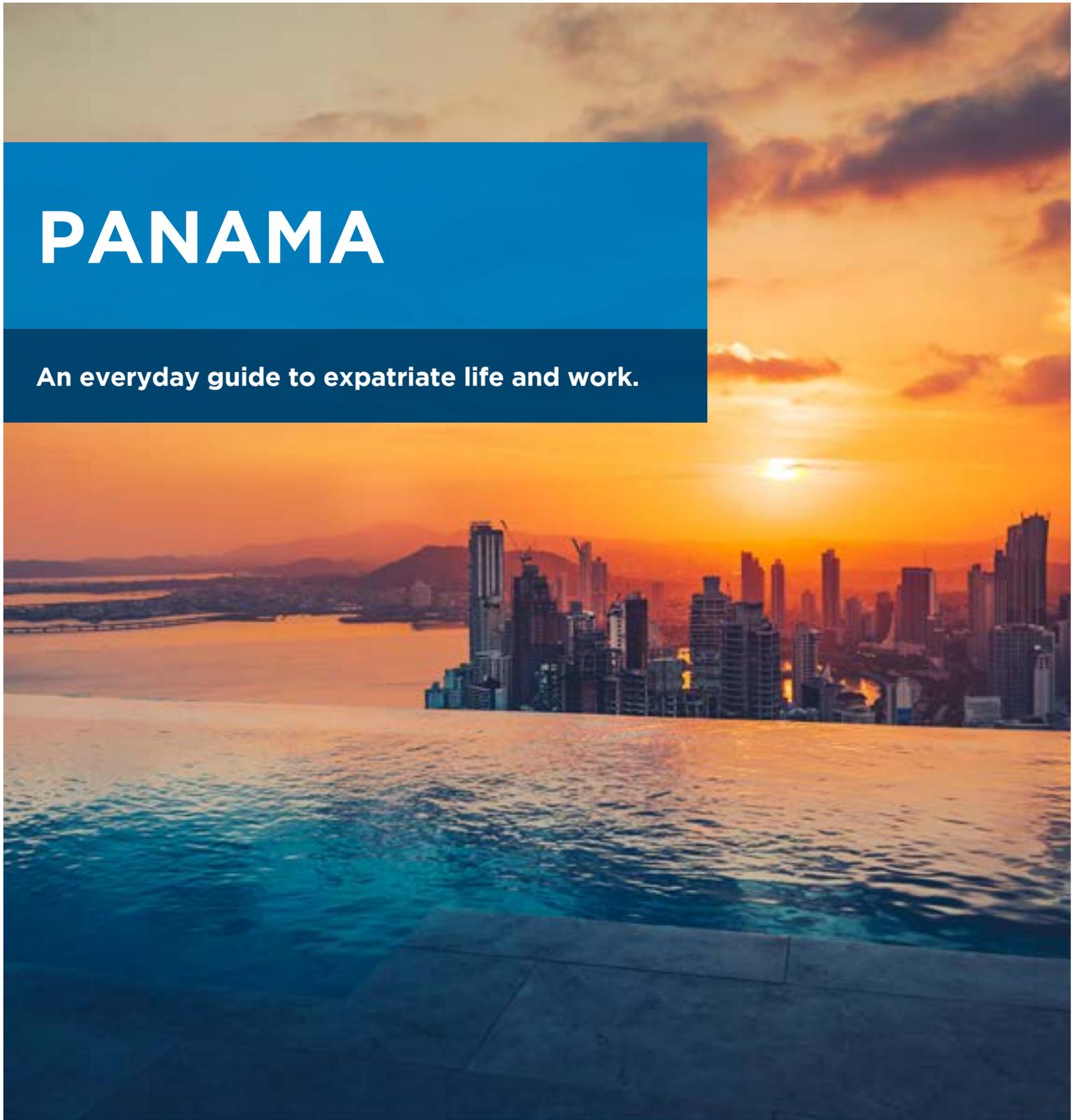


PANAMA

An everyday guide to expatriate life and work.



Together, all the way.™



PANAMA COUNTRY GUIDE

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Quick facts¹

Capital: Panama City

Population: 3.86 million

Major language: Spanish

Major religion: Roman Catholic

Currency: Panamanian Balboa (PAB)

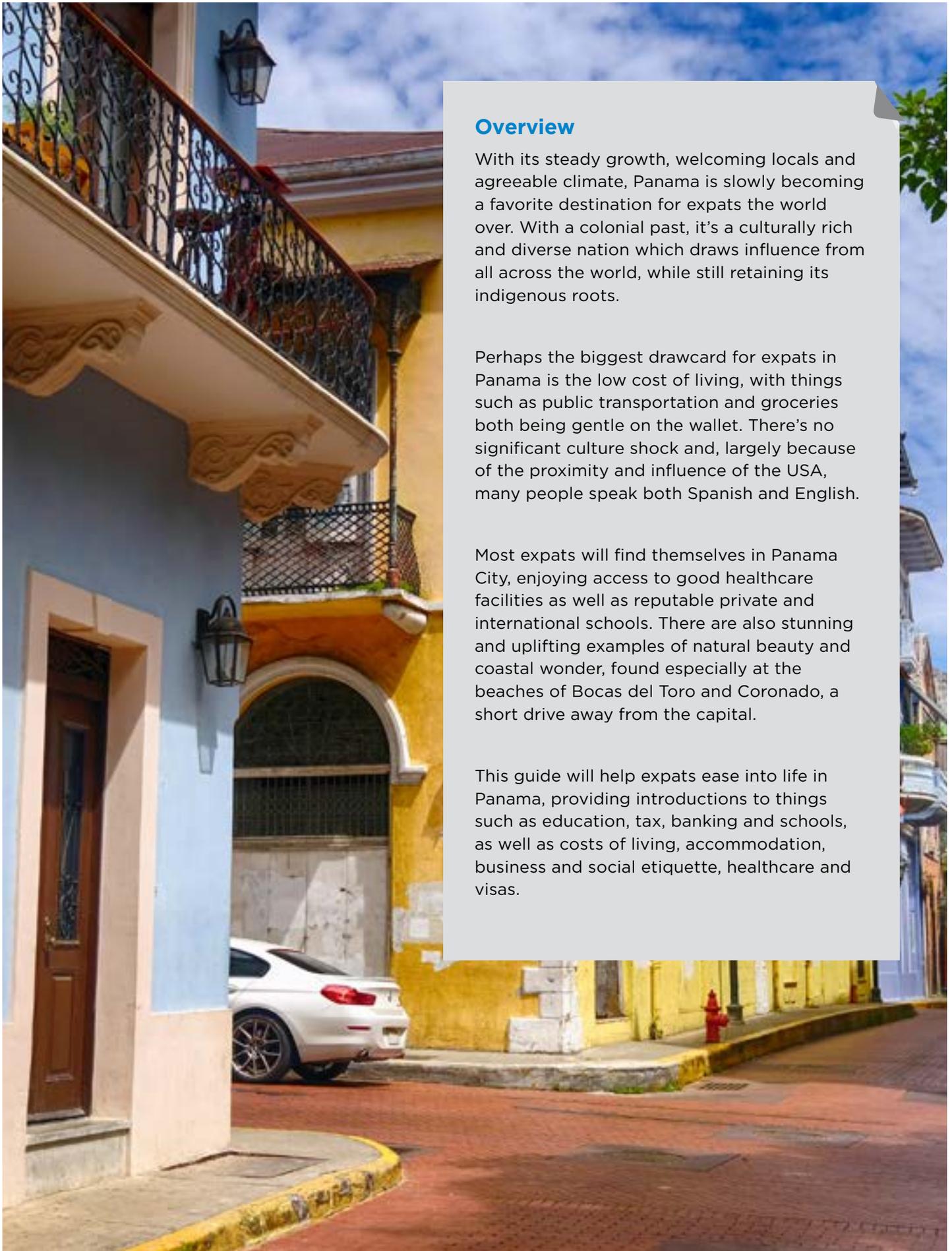
Time zone: GMT -5

Emergency number: 911

Electricity: 120 volts, 60 Hz

Drive on the: Right

¹ <http://www.expatarrivals.com/panama/essential-info-for-panama>



Overview

With its steady growth, welcoming locals and agreeable climate, Panama is slowly becoming a favorite destination for expats the world over. With a colonial past, it's a culturally rich and diverse nation which draws influence from all across the world, while still retaining its indigenous roots.

Perhaps the biggest drawcard for expats in Panama is the low cost of living, with things such as public transportation and groceries both being gentle on the wallet. There's no significant culture shock and, largely because of the proximity and influence of the USA, many people speak both Spanish and English.

Most expats will find themselves in Panama City, enjoying access to good healthcare facilities as well as reputable private and international schools. There are also stunning and uplifting examples of natural beauty and coastal wonder, found especially at the beaches of Bocas del Toro and Coronado, a short drive away from the capital.

This guide will help expats ease into life in Panama, providing introductions to things such as education, tax, banking and schools, as well as costs of living, accommodation, business and social etiquette, healthcare and visas.

Getting Started

Climate and weather

A tropical climate means it's hot all year round in Panama. There are heavy downpours and thunderstorms from May through December, with the rest of the year being dry. However, the northern regions are subject to equatorial climates, with year-round rain and no dry season.

The hottest months are normally March and April, while cooler temperatures accompany the end of the rainy season during October and November. The humidity is constant, and this may prove the biggest challenge to expats used to more mild weather conditions.¹

¹ <https://www.climatestotravel.com/climate/panama>

Visas

Most people traveling to Panama will need a visa, unless their country of origin is on a visa waiver list. Some of these countries include the USA, Canada and various European states. A regular tourist visa will last 180 days. Some nationals will find they are only allowed to stay for 90 days, dependent on their country of origin.¹

The Panama Self Economic Solvency Visa is ideal for those willing to invest large amounts of money into real estate to earn residency. Similarly, foreign nationals are eligible for the Panama Business Investor Visa if they wish to invest in businesses or industries beneficial to Panama, such as those involved with agriculture. The Pensionado program is an option for those wishing to retire to Panama, and is covered later on in the guide.²

¹ <http://panamainfo.com/en/visas-how-stay-and-live-panama>

² http://www.panama-offshore-services.com/how_to_obtain_permanent_residency_in_panama.htm

Accommodations

Accommodation in Panama is quite varied, depending on where one chooses to settle down. Apartments are the usual choice for those living in the urban center of Panama City, while moving further into the suburbs means a selection of villas, standalone houses or even beach huts.

Housing can come furnished or unfurnished as there's no set practice, nor is there a common lease period as it is freely negotiable. Tenants must pay their utility bills, including gas, electricity and water. Finding a place to live may be easier if enlisting the help of a real estate agent, with many of them able to speak English.³

Schools

Most foreigners send their children to private or international schools, where institutions offer different curricula from other countries. Spanish is the language of tuition, although there are recent efforts to promote bilingualism amongst learners.

School fees are generally high and competition for places can be tough. These can be found almost exclusively in Panama City and there are a fair number established throughout the area. Popular curricula at these schools include the American and British curricula, as well as the globally recognized International Baccalaureate.⁴

³ <https://www.panamaequity.com/panama-real-estate-for-rent/#read-more>

⁴ <https://www.classbase.com/Countries/Panama/Education-System>



Culture

Most of Panama is quite conservative, with the majority practicing Roman Catholicism and revering the family unit. Panamanians, in general, are extremely proud of their country and culture.¹

Language

Spanish is the official language of Panama, while English is also used in the business, tourism and banking sectors. Some 400,000 Panamanians speak their own indigenous languages, most often determined by geographic location. Amongst locals, there's a basic understanding of English and even more so in tourist areas.²

Social etiquette and cultural faux pas

It's worth reading up on a few social norms and dynamics that one might face when moving to Sweden. Hopefully, these few pointers will help ease expats into daily life with as little hassle as possible.³

- Instead of using their fingers, Panamanians use their lips to point things out. This is done by pouting at the object or person in question.
- Titles are important, whether it's Don for men or Doña for women. Professional titles are also taken seriously, and names should be prefaced correctly: doctor or doctora, professor or profesora, and maestro or maestra for teachers.
- Personal appearance is important, with conservative yet stylish apparel being the norm, even during extremely hot periods. Shorts are seen as being too informal in public spaces, aside from the beach.

1 <https://www.anywhere.com/panama/travel-guide/people-and-culture>

2 <http://www.everyculture.com/No-Sa/Panama.html>

3 http://www.ediplomat.com/np/cultural_etiquette/ce_se.htm

Eating

The flavors of Panama don't contain the heat and spice of its Central American and Caribbean neighbors. Producing instead a mild palate, cuisine is generally a diverse mix thanks to the wide-ranging African, Spanish and Native American influences. Food is quite affordable, regardless if one shops at chain stores or from markets.

Traditional fare focuses mainly on beef and seafood, largely thanks to the bountiful fishing spots and numerous cattle farms. Common ingredients that many Western expats might not find familiar are the plantain, a fruit similar to a banana but with a starchy texture and potato-like taste, and culantro, a much stronger-tasting plant than cilantro.

The national dish is sancocho, a type of chicken soup, while other favorites include hojaldres, deep-fried leavened bread, and fried dough balls filled with meat called enyucados. Empanadas and tamales are often on restaurant menus, as well as toasted sandwiches called emparedados.

Small eateries called fondas are dotted around schools, sports stadiums and general places of interest, serving many workers and students a quick and cheap lunch. A typically humble portion of food usually includes things such as fried fish, rice, beans, various meats and patacones, which are fried plantain slices.

For those who simply can't get used to the local gastronomy, there's still plenty of international cuisine available in the cities, including Italian, Indian, Chinese, Arabic and also fast food chains.⁴

4 <https://wikitravel.org/en/Panama#Eat>



Drinking

Beer is the most popular drink amongst Panamanians, while others enjoy the strength of the locally produced rum, with Carta Viejo and Abuelo being the most prevalent brands. Having said this, the national drink is an alcoholic beverage called seco, distilled from sugar cane.⁵

Chichas are much-loved alcoholic and non-alcoholic drinks, comprised of fruit, water and sugar. They vary in flavor, from tamarind and passionfruit to mango and papaya. Special concoctions include jugo de caña, made using sugar cane juice, and agua de pipa, a cocktail containing the juice from young green coconuts. The alcoholic version is a fermented beverage, usually made using corn beer.⁶

Holidays

Most public holidays in Panama are celebrated on days of national historical significance as well as the calendar of the Christian faith, of which 85% of the population are a part. During days such as Carnival, Panamanians enjoy bright parades and festive street celebrations.⁷

New Year's Day - 1 January

Martyrs' Day - 9 January

Carnival - Monday before Ash Wednesday

Shrove Tuesday - Tuesday before Ash Wednesday

Good Friday - March/April

Labor Day - 1 May

Separation Day - 3 November

Colón Day - 5 November

Los Santos - 10 November

Independence Day - 28 November

Mother's Day - 8 December

Christmas Day - 25 December

Transport

Modernization efforts are on the increase when it comes to Panama's transport infrastructure. Most expats tend to use buses to get around, whether it's traveling across the country or more regular intercity journeys. For those who want to drive, the roads are safe and fairly well maintained.

⁵ <https://www.roughguides.com/destinations/central-america-and-the-caribbean/panama/food-drink/>

⁶ <https://wikitravel.org/en/Panama#Eat>

⁷ <http://www.expattarrivals.com/panama/public-holidays-in-panama>

Taxis are everywhere, recognized by their yellow coloring. They don't run on meters and usually operate on a fixed fare, often set by local zoning laws. There are slightly more upscale versions for those who can afford to pay, while the legendary Red Devils, called Diablo Rojos in Spanish, should be avoided for safety's sake. These are repurposed school buses from the USA and carry a reputation for being reckless and fast.

Panama's only railway line for passengers runs alongside the Panama Canal, connecting Corozal and Colon. Boats, ferries and water taxis are useful for getting around much of the country, including Darien, archipelagos Bocas del Toro and Guna Yala, and the islands of Taboga and Contadora.⁸

Getting in touch

While not reaching the same levels of its North American counterparts like Canada or the USA, Panama's telecommunications industry functions to an acceptable standard.

Telephone

Setting up a landline will require expats to produce a copy of their passport and two references, with the installation taking around a week to complete. Mobile phones can be used on a prepaid or contract basis. The most popular mobile service providers in Panama are Movistar, Digicel, Claro and Movil.⁹

Internet

The standards of internet vary across Panama, but more developed areas such as Panama City, David and Colon will usually have high internet speeds available. Expats will be glad to know that there are both DSL and cable broadband offerings, along with numerous internet cafes in the cities. The most used internet service providers in the country include Cable & Wireless, Movistar, Claro, Cable Onda and more.¹⁰

Postal Services

Panama's postal service is called Correos y Telégrafos de Panamá. It's not commonly used and doesn't deliver to homes, instead sending most mail to a PO box. Most people and businesses choose to use private couriers, with international companies such as FedEx, DHL and Worldwide Express operating in the country.¹¹

⁸ <https://www.anywhere.com/panama/travel-guide/getting-around>

⁹ <https://www.budde.com.au/Research/Latin-America-Mobile-Network-Operators-and-MVNOs/?r=51>

¹⁰ <http://www.encuentra24.com/content/panama-en/general/view/choosing-an-internet-service-provider-in-panama>

¹¹ <https://www.liveandinvestoverseas.com/in-focus-panama/experts-guide-postal-services-panama/>

Employment

The job market

The major industries in Panama include construction, petroleum refinement, brewing, cement, sugar milling and tourism. More specifically, most employment opportunities for expats are found within international companies. This is because only 10% or less of a local entity's workforce in management and executive positions can be foreign.¹² If looking to work outside a management position, expats can seek opportunities as English teachers, translators or real estate agents.

Income tax

Income is taxed using a progressive tax system, with the tax rate sliding between 15 and 25% depending on the amount of money earned. Panama also operates using a territorial tax system, meaning only income earned locally is taxed. This is applied to expats regardless of whether they're classified as a resident or non-resident.¹³

Business etiquette

Corporate culture in Panama should be fairly familiar for most Western expats. To begin with, handshakes are the norm when meeting men and women. There's no gift giving culture in the Panamanian business world. While the majority of businesspeople are bilingual, providing documents in both English and Spanish will show respect and a willingness to embrace local culture.¹⁴

In terms of formal attire, one should normally dress conservatively. Men wear dark business suits while women normally wear non-revealing dresses, skirts or trousers. Some individuals in executive positions may wear camisas, which are light shirts that aren't tucked in at the waist. Business cards should be printed both in English and Spanish.¹⁵

Neither deadlines nor punctuality are strictly enforced, with projects managed accordingly. But as an expat, one should make an effort to be on time. In terms of building business relations, Panamanians prefer to get to know potential associates. Consequently, expect lots of small talk and building of trust to take place. Locals generally don't like confrontation, so expats should try to read situations with more nuance as politeness can often be misinterpreted as agreement.¹⁶

¹² http://www.panama-offshore-services.com/how_to_get_a_panama_work_permit.htm

¹³ <http://www.nomoretax.eu/living/relocation-to-panama/>

¹⁴ <https://www.communicaid.com/country/panama/>

¹⁵ <http://www.cyborlink.com/besite/panama.htm>

¹⁶ <https://www.commisceo-global.com/management-guides/panama-management-guide>

Retirement

Because of its low costs of living, excellent healthcare and exquisite natural beauty, Panama has become one of the world's most popular retirement destinations. The Pensionado Visa can be obtained for anybody with an annuity or social security income higher than 1,000 USD a month. This drops slightly if one purchases property valued at 100,000 USD or higher. Special perks come with this visa, such as discounts on utilities, public transportation, flights and more.¹⁷

Finance

Currency

Along with the US Dollar (USD), the official currency is the Panamanian balboa (PAB), which is divided into 100 centésimos. There are no notes used for the balboa, with the country USD notes instead

Money is available in the following denominations:

- Notes: 1, 5, 10, 20, 50, 100 USD
- Coins: 1 and 5 centésimos, 1/10, 1/4, 1/2, and 1 PAB

Cost of living

One can live quite comfortably in Panama without tightening the purse strings. Prices are quite similar to places such as the UK and the USA, especially when it comes to eating out. Buying alcohol, on the other hand, is far cheaper, especially those brands which are locally produced. Public transport is also extremely affordable.

Again, grocery prices aren't too dissimilar to what one would find in supermarkets up north, with local produce being far more affordable than imported goods. Predictably, rent will be the biggest expense for foreign nationals, as will be tuition fees for private or international schooling.

Banking

Operating an efficient, well-developed and modern banking system, Panama remains an important global banking destination. Some of the most popular banks in Panama include Banco General and Caja de Ahorros, both of which are owned by the state, while there's an international presence in the form of HSBC and Citibank. Usual opening hours are from 8.30am until 4pm, with closing time being around 1pm on Saturday.

If expats want to open an account in Panama, it's useful to bring along somebody to translate as English service won't always be guaranteed at local banks. Along with bringing in all the relevant documentation, expats will also need to make a minimum deposit. However, the process won't be quick, taking anything from two weeks to two months.

¹⁷ <https://www.investopedia.com/articles/personal-finance/020116/retiring-panama-pros-cons.asp>

Health

In order to access state healthcare, expats will be required to pay social security. These payments are mandatory, with around 9.25% taken off their monthly income. Healthcare services are generally of an excellent standard and are also extremely affordable. While the cities of David and Panama City have the more comprehensive and specialized facilities, expats will never be too far away from a good hospital or clinic. There's a large contingent of English-speaking medical staff, and all are professional and sufficiently trained. As is normally the case with state care, waiting lists for appointments may be long.¹⁸

Private Medical Insurance

Taking out comprehensive private insurance will allow expats to skip the queues and leave the confusing bureaucratic processes of the public sector behind. The four private hospitals usually considered to be the best are Centro Medico Paitilla, Hospital Nacional, Clinica Hospital San Fernando, and the Hospital Punta Pacifica, seen as the best and most state-of-the-art hospital in Latin America.

Emergencies

The general emergency number is 911. Dialing 104 will put expats through to the police while 103 connects with ambulance and fire services. Most doctors in hospitals and clinics speak English so it's likely that paramedics will speak it too.¹⁹

Pharmacies

In Sweden, pharmacies are known as apoteka. Expats may find that over-the-counter drugs are more expensive than back home. Operating hours are normally from 10am to 6pm on weekdays, and 10am to 2pm on Saturdays. But there are some open 24 hours a day. There's also an information line for health queries on 1777.

Health Risks

Malaria and dengue fever are common health risks in Pan-ama. The risk of contracting malaria is higher in rural areas, while dengue fever occurs mostly in densely populated, urban environments.²⁰

Vaccinations

It's recommended that travelers receive vaccinations for hepatitis A and typhoid, as well as for measles, mumps, rubella, diphtheria, tetanus, pertussis, chickenpox, polio and influenza.²¹

18 <https://internationalliving.com/countries-best-healthcare-world/>

19 <http://www.encuentra24.com/content/panama-en/general/view/what-to-do-in-case-of-an-emergency-in-panama>

20 <https://www.gov.uk/foreign-travel-advice/panama/health>

21 <https://wwwnc.cdc.gov/travel/destinations/traveler/none/panama>

