

# Panama Independence Day

## Steady economic growth with fiscal transparency

Ritter N. Diaz  
AMBASSADOR OF PANAMA

On behalf of the government of the Republic of Panama, I would like to extend my warmest congratulations to all Panamanian citizens in Japan on the occasion of the 112th Anniversary of our Independence.



I would also like to extend greetings to Their Imperial Majesties Emperor Akihito and Empress Michiko, as well as the noble Japanese people.

According to the U.N.'s Economic Commission for Latin America and the Caribbean, Panama was predicted to have the most economic growth in Latin America and the Caribbean in 2015 and 2016.

In light of this, President Juan Carlos Varela's administration has created a five-year public investment plan. The plan includes the Second Line for the Metro, which will bring people from the east of Panama province to downtown Panama (under construction); the Third Line of the Metro (next year); urban renovation of the city of Colon (in progress); basic health and sanitation standards for urban and rural areas (in



The new locks of the Panama Canal THE PANAMA CANAL AUTHORITY (ACP)

progress), and the program "Techos de Esperanza," which is already providing housing for economically vulnerable people.

In the educational field, the administration will invest in the construction of 50 new schools over the next five years, expanding the education level of our people.

As the Varela administration enters its second year, we have

high expectations for the inauguration of the new locks of the Panama Canal next April, which will boost our economy, as well as the world's, triggering an expansion of maritime cargo transport, as larger Neopanamax vessels will be able to transit the Panama Canal, saving time and money.

Analysts predict that Panama will not only expand its economy through the widen-

ing of the canal but also through the diversification of our logistics platform, serving the Latin American and the Caribbean region.

We are also strengthening our ship registry, by joining recently the Tokyo Memorandum of Understanding (Tokyo MOU) at the 26th Meeting of the Port State Control Committee (OSCC26), where we became a Cooperating Member.

The Tokyo MOU aims to standardize port regulations through collaboration with member states to reduce the number of instances of sub-standard shipping.

On the diplomatic front, this year Panama hosted the Summit of the Americas — with Cuba participating for the first time — and served as the meeting place to further advance the normalization of

diplomatic relations between Cuba and the U.S. This epoch-making event demonstrated the role of Panama as a neutral nation, which seeks amicable and peaceful relations among all countries of the world.

In addition, the Panamanian government joined the celebrations of the 70th anniversary of the establishment of the U.N., hoping for an improvement of U.N. systems through necessary reforms, including to the Security Council, so that the organization can adapt to the new international situations.

In addition, we are committed to maintaining the integrity of our financial system, as well as maintaining responsible cooperation with other tax jurisdictions. For that purpose, the government of Panama accepted a voluntary peer review by the Organization for Economic and Cooperation Development (OECD). We hope that through the peer review, we will move from the OECD's grey list to their white list to be in line with international standards.

As Varela mentioned at the last U.N. General Assembly, Panama will expand its international cooperation in fiscal transparency and move toward the automatic bilateral exchange of tax information, as has been the practice of our major trading partners. However, this exchange will have to take into consideration the capacity and national circum-

stances of each country, as well as the international geopolitical environment and should not be misused to impair the competitiveness of some countries for the benefit of others.

Finally, I wish to reaffirm the

strong adherence of the Panama government to the principles of transparency and accountability in the public service to ensure a better standard of living for Panamanian citizens and for a steady and healthy economic growth.

**Congratulations  
on the 112th Anniversary of  
the Independence of  
the Republic of Panama**

 **Mitsubishi Corporation**