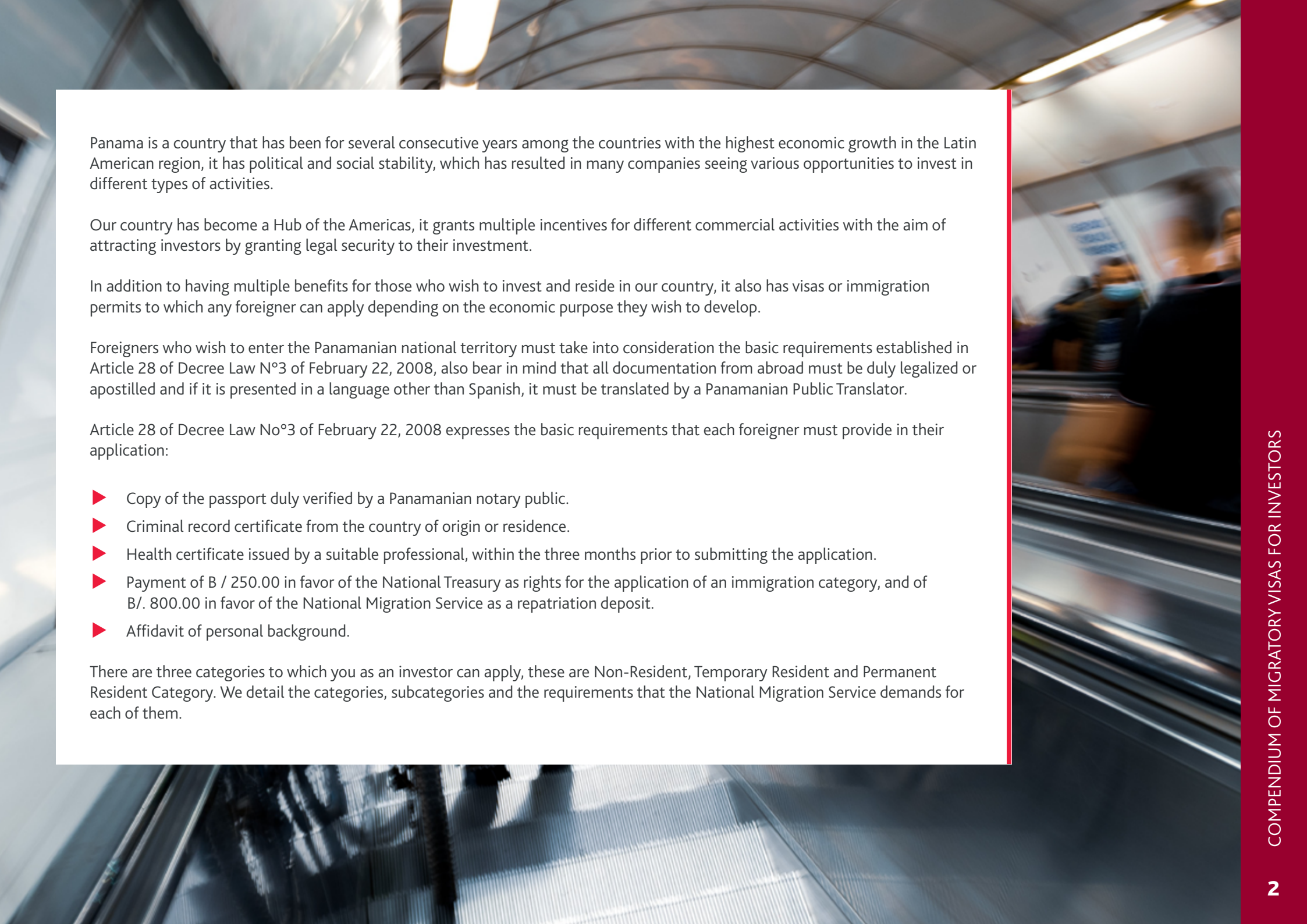




COMPENDIUM OF MIGRATORY VISAS FOR INVESTORS

START THE TOUR

|BDO



Panama is a country that has been for several consecutive years among the countries with the highest economic growth in the Latin American region, it has political and social stability, which has resulted in many companies seeing various opportunities to invest in different types of activities.

Our country has become a Hub of the Americas, it grants multiple incentives for different commercial activities with the aim of attracting investors by granting legal security to their investment.

In addition to having multiple benefits for those who wish to invest and reside in our country, it also has visas or immigration permits to which any foreigner can apply depending on the economic purpose they wish to develop.

Foreigners who wish to enter the Panamanian national territory must take into consideration the basic requirements established in Article 28 of Decree Law N°3 of February 22, 2008, also bear in mind that all documentation from abroad must be duly legalized or apostilled and if it is presented in a language other than Spanish, it must be translated by a Panamanian Public Translator.

Article 28 of Decree Law No°3 of February 22, 2008 expresses the basic requirements that each foreigner must provide in their application:

- ▶ Copy of the passport duly verified by a Panamanian notary public.
- ▶ Criminal record certificate from the country of origin or residence.
- ▶ Health certificate issued by a suitable professional, within the three months prior to submitting the application.
- ▶ Payment of B / 250.00 in favor of the National Treasury as rights for the application of an immigration category, and of B/. 800.00 in favor of the National Migration Service as a repatriation deposit.
- ▶ Affidavit of personal background.

There are three categories to which you as an investor can apply, these are Non-Resident, Temporary Resident and Permanent Resident Category. We detail the categories, subcategories and the requirements that the National Migration Service demands for each of them.

I. NON-RESIDENT CATEGORY

A.SHORT-STAY VISA BY BUSINESS

The foreigner who wishes to enter the national territory may do so in order to establish foreign affiliates, carryout commercial transactions and/or participate as a bidder in public tenders, but without the intention of establishing permanent residence in Panama. The foreigner may apply for this visa by presenting through the immigration authorities of Panama abroad.

B.SHORT-STAY VISA IN THE QUALITY OF TRADERS AND INVESTORS BY SPECIAL LAWS

The foreigner who enters the national territory may request this permit to analyze investment possibilities or carry out transactions in Export Processing Zones, Call Center or special Areas designated for development of the Cinematographic and Audiovisual Industry for the established term and the conditions contemplated in Law N°25 of 1992.

In both types of visas, the foreigner must justify the term required, which may be up to nine (9) months. This visa is non-extendable after the expiration of said term.

Next, we make a list of the requirements for each type of visa according to Executive Decree 320 of August 8, 2008 that regulates Decree-Law 3 of February 22, 2008, which creates the National Migration Service and dictates other provisions. In this type of visa or permits, paragraph 4 of article 28 of Decree Law N°3 of February 22, 2008 does not apply.

NON-RESIDENT CATEGORY

Table N° 1

| Requirements | Short stay visa pay per listing | Short stay visa as traders and investors by special laws |
|--|------------------------------------|--|
| 1. Copy of the passport duly verified by a Panamanian Notary Public. Checked at the Consulate of the issuing country in Panama, if any. | × | × |
| 2. Criminal record certificate from the country of origin or residence. | × | × |
| 3. Health certificate issued by a suitable professional, within the three months prior to submitting the application | × | × |
| 4. Affidavit of personal background | × | × |
| 5. Proof of economic solvency of the applicant or the person inviting, with a minimum of five (5) average figures | × | |
| 6. Bank reference issued by an internationally recognized bank or proof of economic solvency not less than one thousand balboas B /1,000.00 monthly income | | × |
| 7. Documentation that proves the purpose of the trip and the conditions of stay for business | × | |
| 8. Certificate of existence of the foreign company to establish subsidiaries | × | |
| 9. Letter from the legal representative of the foreign company to establish subsidiaries | × | |
| 10. Checked air reservation with itinerary for continuation of the trip | × | |
| 11. Copies of the ID card or card of residence of the country where the tourist resides | × | |
| 12. Return ticket to their country of origin, valid for the term of a (1) year | | × |
| 13. Three (3) photographs | × | |
| 14. Confirmed hotel reservation, (if applicable) | × | |
| 15. Visa form | | × |

II. TEMPORARY RESIDENT CATEGORY

► FOR INVESTMENT REASON:

A. AGRICULTURAL INVESTOR

Foreigners who have invested the minimum sum of B/.60,000.00 in agricultural or aquaculture activities, these activities will be determined in items that the Ministry of Agricultural Development considers to be of national interest. This permit is granted for 6 years that can be extended every 2 years. To include a dependent, you must add the investment of B/.500.00 for each dependent, which can be justified by local bank reference.

B. FOREST INVESTOR

Foreigners who have invested the minimum sum of B/. 80,000.00 in reforestation or forest plantation activities or others determined by the Ministry of the Environment. This permit is granted for 6 years that can be extended every 2 years. To include a dependent, you must add the investment of B/.2,000.00 for each dependent, which can be justified by local bank reference.

It should be noted that there is the category of Forest Investor as a permanent resident, in which the Investment must be made directly in forestry activity for a minimum amount of B /100,000.00 that must be proven by providing the supporting documents, basically the same requirements, the difference lies in the investment amount.

C. FRIENDLY COUNTRIES

Recently, Executive Decree N°197 of May 7, 2021 was published, which modifies Executive Decree N°416 of June 13, 2012, which creates within the immigration category of permanent resident the subcategory of permanent resident as national foreigners of specific countries that maintain friendly, professional, economic and investment relations with the Republic of Panama, in which article 3 was modified creating a provisional permit for two (2) years, so that after this term it can apply to permanent residence.

Next, we make a list of the requirements for each type of visa according to Executive Decree 320 of August 8, 2008 that regulates Decree-Law 3 of February 22, 2008, which creates the National Migration Service and dictates other provisions, and Executive Decree N°416 of June 13, 2012.

TEMPORARY RESIDENT CATEGORY - FOR INVESTMENT REASONS

Table N° 2

| Requirements | SHAREHOLDER AGRICULTURAL | SHAREHOLDER FOREST | FRIENDLY COUNTRIES |
|---|-----------------------------|-----------------------|-----------------------|
| 1. Properly collated copy of the passport (Notary or corresponding Author) | × | × | × |
| 2. Criminal Record Certificate | × | × | × |
| 3. Health Certificate | × | × | × |
| 4. Certified Check for B/.250.00 in favor of the National Treasury | × | × | × |
| 5. Certified Check for B/.800.00 in favor of the National Immigration Service | × | × | × |
| 6. Form of Affidavit of Personal Background | × | × | × |
| 7. Three (3) photographs | × | × | |
| 8. Copy of the identity document or card of your country | | | × |
| 9. Authenticated Copy of the Share Certificate issued in favor of the Investor | | × | |
| 10. Affidavit of the Secretary or Treasurer of the company, proving the ownership of the registered shares issued in favor of the applicant | | × | |
| 11. Copy of the income statement of the company, where the invested capital appears. If you do not comply with the fiscal period, you can provide a copy of the RUC registration certificate and a copy of the receipt of the single rate | | × | |
| 12. Certification of the Certified Public Accountant (CPA) in which the total amount invested is detailed and that the capital belongs to the investor | | | |
| 13. Copy of the Resolution issued by the Ministry of Environment, of the forest registry | | × | |
| 14. Certificate of Public Registry of the existence of the company | × | × | |
| 15. Certificate of Public Registry of the Farm | | × | |
| 16. Certificate of Public Registry of the Farm or Lease contract | × | | |

TEMPORARY RESIDENT CATEGORY - FOR INVESTMENT REASONS

| Requirements | SHAREHOLDER AGRICULTURAL | SHAREHOLDER FOREST | FRIENDLY COUNTRIES |
|---|--------------------------|--------------------|--------------------|
| 17. Copy of the Certification of the Single Agricultural Registry with details of the registration number, payroll, activity carried out on the farm and its location | × | | |
| 18. Proof of the Investment made directly in activity in agricultural or aquaculture activities, for B /.60,000.00. (Must be tested) | × | | |
| 19. Proof of the Investment made directly in forestry, for B /.80,000.00. (Must be tested) | | × | |
| 20. Certificate of public registry your investment in a real estate whose value must be a minimum of B/.200,000.00, which can be financed through a local bank | | | × |

III. PERMANENT RESIDENT CATEGORY

The residence permit is granted to those foreigners who have their own capital from abroad, to invest in ecological, agricultural, commercial, industrial activities in companies duly registered in Panama, except in those cases in which the law has reserved the exercise of those activities to the nationals.

These types of permits are generally granted for a term of two (2) years, after which after this period the applicant may choose permanent residence.

This category is divided according to special economic and political reasons.

► ECONOMIC REASONS

A. INVESTOR OF MACRO-COMPANY:

Foreigners who wish to invest in a company, whose minimum share capital is B /.160,000.00 per applicant, these being shareholders and dignitaries of the same company. To include a dependent, you must add the investment of B /.2,000.00 for each dependent, which can be justified by local bank reference.

B. FINANCIAL SOLVENCY BY OPENING A FIXED-TERM DEPOSIT:

Foreigners who wish to invest the minimum sum of B /.300,000.00 in fixed-term deposit goods and that demonstrates that the funds come from abroad. To include dependents, it must be added to the investment of B /.2,000.00 for each.

C. ECONOMIC SOLVENCY FOR INVESTMENT IN REAL ESTATE:

Foreigners who wish to invest the minimum sum of B/.300,000.00 in real estate and show that the funds come from abroad. To include a dependent, you must add the investment of B/.2,000.00 for each.

In the event that the title to the real estate is in the name of a Foundation, you may request this permit as long as you prove to be the founder and his or her dependents are the beneficiaries.

In the event that it is through a public limited company, you may request this permission as long as the shares are registered and are in the name of the applicant and dependents.

D. ECONOMIC SOLVENCY FOR MIXED INVESTMENT (FIXED-TERM DEPOSIT AND REAL ESTATE):

Foreigners who wish to invest the minimum sum of three hundred thousand balboas (300,000.00) in real estate or fixed term can apply to this permit; or a combination of both and show that the funds come from abroad. To include a dependent, you must add the investment of B/.2,000.00 for each.

Each of these permits once the term granted has elapsed, the applicant must proceed with the application for permanent residence, for which he must provide the additional requirements that are required for each case, according to Executive Decree 320 of August 8, 2008.

Next, we make a list of the requirements for each type of visa according to Executive Decree 320 of August 8, 2008 that regulates Decree-Law 3 of February 22, 2008, which creates the National Migration Service and dictates other provisions:

PERMANENT RESIDENT CATEGORY - FOR ECONOMIC REASONS

Table N° 3

| Requirements | A. Investor by Macro-Company. | B. Solvency Economic for Opening of Term deposit Fixed | C. Economic Solvency by Investment in Goods Property | D. Economic Solvency by Mixed Investment (Deposit Fixed Term and Assets Immovable Property) |
|--|-------------------------------|--|--|---|
| 1. Copy of the passport duly verified by a Panamanian Notary Public | × | × | × | × |
| 2. Criminal record certificate from the country of origin or residence | × | × | × | × |
| 3. Health certificate issued by a qualified professional, within the three months prior to the submission of the application | × | × | × | × |

PERMANENT RESIDENT CATEGORY - FOR ECONOMIC REASONS

Table N° 3

| Requirements | A. Investor by Macro- Company. | B. Solvency Economic for Opening of Term deposit Fixed | C. Economic Solvency by Investment in Goods Property | D. Economic Solvency by Mixed Investment (Deposit Fixed Term and Assets Immovable Property) |
|---|--------------------------------------|---|--|--|
| 4. Certified Check for B /. 250.00 in favor of the National Treasury | × | × | × | × |
| 5. Certified Check for B /. 800.00 in favor of the National Immigration Service | × | × | × | × |
| 6. Affidavit Form for Personal History | × | × | × | × |
| 7. Three (3) photographs | × | × | × | × |
| 8. Public Registry Certificate that certifies the company name, the condition of director or dignitary, the legal representative or attorney-in-fact; the capital stock of the company (minimum B /.160,000.00) | × | | | |
| 9. Certification of the Secretary or Treasurer of the company, where the ownership of the issued shares is accredited in favor of the applicant | × | | | |
| 10. Copy of the pertinent pages of the Book of Shares of the company and the shares issued in favor of the applicant | × | | | |
| 11. Certification of the Certified Public Accountant (CPA) of the company that proves the ownership of the shares of the foreign applicant | × | | | |
| 12. Declaration of the applicant before a notary public about: amount of capital invested, number of shares it owns, activity of the company | × | | | |
| 13. Copy of the income statement of the company with your no-debt certificate | × | | | |
| 14. In the case of recently established companies, provide proof of payment of the single fee and registration of the Single Taxpayer's Register (RUC, in Spanish) | × | | | |
| 15. Authenticated copy by the Social Security Fund of the payroll, with a minimum of five (5) Panamanians per applicant | × | | | |
| 16. 16. Current no debt certificate of the Social Security Fund | × | | | |
| 17. Proof of investment. (Must be demonstrated to the specification of each permit) | × | | | |

PERMANENT RESIDENT CATEGORY - FOR ECONOMIC REASONS

Table N° 3

| Requirements | A. Investor by Macro-Company. | B. Solvency Economic for Opening of Term deposit Fixed | C. Economic Solvency by Investment in Goods Property | D. Economic Solvency by Mixed Investment (Deposit Fixed Term and Assets Immovable Property) |
|---|-------------------------------|--|--|---|
| 18. Proof of the existence and location of the company | × | | | |
| 19. Operation Notice | × | | | |
| 20. Receipt of advance payment of capital gains tax and copy of the contract for the sale of shares (only in case the applicant has acquired the shares of a third party in an existing company) | × | | | |
| 21. Copy of the income statement of the company with your no-debt certificate | × | | | |
| 22. Bank certification of the opening of a fixed-term deposit account in the name of the applicant, for the amount of B/.300,000.00 or its equivalent in foreign currency and with a minimum duration of three (3) years, in any bank with a general license in the national territory. This fixed term must be free of encumbrance | | × | | × |
| 23. Copy of the fixed-term certificate authenticated by the bank | | × | | × |
| 24. Certification of the Public Registry that verifies the ownership of the real estate, in the personal capacity of the applicant with a value of B/. 300.000.00 | | | × | × |



► BY SPECIAL POLICIES

A.INVESTOR FROM THE ECONOMIC AREA OF PANAMA-PACIFICO:

A foreigner who makes an investment of no less than two hundred and fifty thousand B/. may request this permit 250.000.00 in the venture capital of a Panama-Pacific Area Company or in Developing or Operating Companies. This permit is granted for up to a period of 5 years, which can be extended annually.

B.INVESTOR OF PROCESSING ZONES FOR EXPORT:

The foreigner who proves to have invested the minimum sum of B/250,000.00 and demonstrates that the funds come from abroad, in a company duly authorized as promoter and operator of an Export Processing Zone or in companies established within these areas may request this permit, according to Law 25 of 1992 repealed by Law 32 of 2011. This permit is granted for a term of two (2) years, which after this period has elapsed, the applicant may opt for permanent residence.

C.INVESTOR OF CALL CENTERS FOR COMMERCIAL USE (CALL CENTER) FOR EXPORT:

The foreigner who proves to have invested the minimum sum of B/250,000.00 in a company whose activity is to provide call center services for commercial use may apply for this permit (call center) for export.

D.INVESTOR IN THE FILM AND AUDIOVISUAL INDUSTRY:

The foreigner who invests in the Cinematographic Industry, an amount greater than one hundred and fifty thousand balboas (B/150,000.00), in accordance with Law 16 of April 27, 2012 and Executive Decree 320 of 2008.

E.FOREST INVESTOR: (*)

Foreigners who have invested the minimum sum of B/100,000.00 in reforestation or forest plantation activities or others determined by the Ministry of the Environment. This permit is granted for a term of two (2) years, which after this period has elapsed, the applicant may opt for permanent residence. To include a dependent, you must add the investment of B/2,000.00 for each. The investment must be proven by providing the supporting documents. This category implies the same requirements described in the temporary residence permit section, it is differentiated by the amount of the investment and the term of validity. (*) See the requirements in Table N° 2.

PERMANENT RESIDENT CATEGORY - BY SPECIAL POLICIES

Table N° 4

| Requirements | A. Investor in the Area economic of Panama-Pacific | B. Investors of Processing Zones for export | C. Investors of Call Centers for Comercial Use for export | D. Call Centers for Comercial Use for export |
|--|--|---|---|--|
| 1. Copy of the passport duly verified by a Panamanian Notary Public | × | × | × | × |
| 2. Criminal record certificate from the country of origin or residence | × | × | × | × |
| 3. Health certificate issued by a qualified professional, within the three months prior to the submission of the application | × | × | × | × |
| 4. Certified Check for B/.250.00 in favor of the National Treasury. | × | × | × | × |
| 5. Certified Check for B/.800.00 in favor of the National Immigration Service | × | × | × | × |
| 6. Affidavit Form for Personal History | × | × | × | × |
| 7. Three (3) photographs | × | × | × | × |
| 8. Certificate of Public Registry of the company | × | | | |
| 9. Certification issued by the Panama-Pacific Special Agency that certifies the existence of the company and its location; that there is peace and safety with the Agency and that the company is under the special regime established in Law N°41 of 2004 | × | | | |
| 10. Certificate from the treasury or secretary of the company proving the ownership of the regulatory actions in favor of the applicant. | × | | | |
| 11. Certification issued by the Public Accountant of the company in the Panama Pacific Area detailing the total amount invested in the company by the applicant and that the capital is their own | × | | | |

PERMANENT RESIDENT CATEGORY - BY SPECIAL POLICIES

| Requirements | A. Investor in the Area economic of Panama-Pacific | B. Investors of Processing Zones for export | C. Investors of Call Centers for Comercial Use for export | D. Call Centers for Comercial Use for export |
|---|--|---|---|--|
| 12. Copies of the share certificates issued in favor of the applicant | × | | | |
| 13. No-debt certificate of income in favor of the interested party | × | | | |
| 14. Authenticated copy of the Social Security Fund of the company with a minimum of three (3) Panamanian employees | × | | | |
| 15. No-debt certificate of the Social Security Fund if the company has been operating for more than two months | × | | | |
| 16. Bank letter stating that the funds that the applicant foreigner invests come from abroad | × | | | |
| 17. Investment Proof (Must be tested according to the specification of each permit) | × | | | × |
| 18. Copy of the Resolution of the registration of the company in the Company Registry of the Panama-Pacific Area | × | | | |
| 19. Certification issued by the National Directorate for the Promotion of Exports of the Ministry of Commerce and Industries that demonstrates the investment | | × | × | |
| 20. Certification sent off by the Authority of the Public Utilities accrediting that the business is licensed and at present is lending the service of a Call Center | | × | × | |
| 21. Banking letter where the origin of the funds is specified | | × | × | × |
| 22. Certification from the Technical Secretariat of the Film Commission of Panama, which certifies the existence of the company and its location and that it is under the special regime established in Law No°36 of 2007 | | | | × |

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CONTACTS

RAFAEL RIVERA

Managing Partner | Tax & Legal

rrivera@bdo.com.pa

SIMONE MITIL

Leading Tax & Legal Partner

smitil@bdo.com.pa

YURIANY SANTAMARÍA

Lawyer

ysantamaria@bdo.com.pa

BDO Building

Los Ángeles Urb., El Paical Ave.

Tel: +507 279 9700

F&F Tower, 30th Floor

50th & 56th East Streets

Tel: +507 280 8800

www.bdo.com.pa

www.bdo.global

THIS ARTICLE WAS PREPARED BY:

CAROLINA LINO

Lawyer

clino@bdo.com.pa

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