

# Immigration Visas in Panama

---

*This note outlines the main characteristics of the immigration system in Panama. For those seeking to retire, invest or work in a politically stable, secure environment, Panama offers an attractive solution through a variety of immigration visas.*

## Background

For the past decade, the Panamanian Government has been updating and enhancing the immigration system through the introduction of new visa options. These have been specifically designed to promote and further expand foreign investment in Panama to compliment the growing local economy and allow foreign investors, migrating retirees and foreign workers (and their families) to obtain temporary or permanent residency, work permits and, in some cases, Panamanian citizenship.

Many foreign investors and multinational companies have already seized the opportunity to participate in a plethora of industries including reforestation, manufacturing, distribution, financial services, IT and software development and call centres.

## The Types of Visas available in Panama

### ■ Tourist Visa

Subject to any restrictions from your home jurisdiction, it is possible to visit Panama on an extendable 180 day tourist visa, noting that the recipient would not be permitted to work.

### ■ Friendly Nations Visa

The nationals of more than 45 countries are eligible for this visa based on the understanding that these countries maintain friendly economic, professional, and investment relations with Panama. Some of the core friendly nations included in the list are: Great Britain, Germany, Australia, Brazil, Belgium, Canada, Spain, United States, Slovak Republic, Czech Republic, France, Finland, Ireland, Japan, Norway, Singapore, Uruguay, Switzerland, Chile and Sweden.

This visa has several requirements that must be satisfied, with arguably the most important being the need to establish either a professional or economic relationship in Panama. This can be achieved by establishing a new corporation or business, or by acquiring an existing Panamanian corporation or business. Alternatively, an individual may satisfy the requirement simply by being an employee of a Panamanian corporation or business. Proof of economic solvency of the individual and any dependents will need to be clearly demonstrated on the visa application.

### ■ Panama retiree/pensioner Visa

This visa applies to foreigners who receive income from a retirement scheme or pension from a foreign government, international organization or private company that wish to move to Panama to retire. The retiree must be able to demonstrate that he has sufficient financial resources to cover living expenses in Panama. Income or monthly pension of less than US\$1,000.00 would not be deemed acceptable by the local authorities.

### ■ Professional Employment Visa

A foreign national may apply for this visa provided that their profession is not limited by the Constitution or by law to Panamanian nationals by birth or naturalization. Two of the main requirements are to provide proof

of a university bachelor's, master's or doctorate degree and employment with a local Panamanian company or business.

#### ■ Panama self-economic solvency visa

The foreigner must invest a minimum of US\$ 300,000.00 in Panama either by investing in Panamanian real estate or through a deposit with a local bank account. It is possible to do a combination of the two.

#### ■ Macro Business Investor Visa

The foreigner shall invest a minimum of US\$160,000.00 in a Panamanian company or business and must be a shareholder and a director. The company must have a Commercial Operation Permit, have at least five (5) Panamanian employees working full time (with the related salaries not falling below the minimum salary established by the Labor Law).

#### ■ Panama's reforestation investor visa

A foreigner may seek permanent residency as a 'forest' investor. The foreigner may invest personally or through a corporation whose main activities shall be reforestation, forest plantation activities or other activities authorized by the National Environmental Authority in Panama. Furthermore, there must be a minimum investment of US\$80,000 and in an area not less than five (5) hectares.

#### ■ Other type of visas

There are other circumstances which enable foreign investors or workers to apply for a permanent residency visa in Panama, such as:

- Investors establishing call centers;
- Investors in the cinematographic and audio-visual industry;
- Investors in economic areas of Panama Pacifico and export processing zones; and
- Employed of the Panama Canal Authority.

## Documents and requirements

Panama immigration law has not yet been codified. There are different laws and decrees that regulate the different types of visas. Some laws allow permanent residence after a specified period of time as a temporary resident. This is determined according to each particular circumstance or size/type of investment.

Since the majority of the Panamanian immigration laws and regulations have been adopted at different times and for diverse purposes, there is no uniformity with regard to approach, requirements and the documentation needed to make an application. Therefore it is recommended that experienced local advice be sought prior to commencing any visa application.

## Advantages of living in Panama

**Strong and Growing Economy** Panama enjoys a good macroeconomic environment, which is consistently growing and developing. Panama's currency is pegged to the US Dollar and enjoys low inflation. Many multinationals and international banks have established operations in Panama including Procter and Gamble, Caterpillar, Cemex, Dell, DHL Express, Samsung and Phillips.

**Stability and Security** Panama is regarded as one of the safest countries in Latin America. It is a Republic and has an established democratic system.

**Climate** Panama enjoys a temperate climate with warm weather all year round.

**Territorial Tax System** Panama is known for applying the territorial principle of taxation, which means that no taxes are levied on foreign source of income, capital gains, inheritance taxes. This can be attractive for foreign persons and companies moving to Panama. Panama has entered into Double Taxation Treaties with Mexico, United

Kingdom, Barbados, Qatar, Spain, Luxemburg, The Netherlands, Singapore, France, South Korea, Portugal and Ireland.

**Multicultural** Panama is an open and cosmopolitan society that welcomes foreign residents and visitors alike.

**Tourism** Panama is witnessing a significant increase in the number of tourists per year. Tourists can enjoy the vibrant Panama City, the peaceful Caribbean and Atlantic coasts, or the beauty of rainforests and associated wildlife.

**Strategic Geographical Position** Panama connects North and South America and because of its privileged geographical position the country has been the location and passageway of goods and individuals from all over the world for more than 100 years. Currently US\$5 billion is being spent on expanding the famous Panama Canal.

**Affordability** Various recent studies have rated Panama as one of the up and coming places to live in the World. This is determined upon geographical location, standard of health care, availability of and goods and services and the cost of living.

## About Hatstone

Hatstone is a leading boutique multi-jurisdictional law firm with offices in Jersey, London, Panama and South Africa.

Our philosophy revolves around a Partner-led client service.

We believe that the right people will attract the best work and we have put in place a first class team to assist you. The team has been carefully chosen to ensure that there is experience and strength-in-depth.

- **Partner-led:** Our Partners each have a wealth of experience in banking and finance, the establishment and maintenance of investment funds, corporate and commercial, acquisitions and mergers, private equity and venture capital, structured finance, financial services and regulatory law, trusts and foundations. We believe that our clients benefit from having their affairs overseen by senior staff with the necessary experience.
- **Client Focus:** We are dedicated to providing a client focused services. Knowing our clients and understanding what drives their businesses is fundamental to us. We enjoy a very strong rapport with our clients whom have access to our lawyers 24/7 through the latest technology. Our principal aim is to help clients achieve their objectives by offering them pragmatic advice and solutions.
- **Transparency:** We are happy to work on a fixed fee basis (in most circumstances) and are transparent about our fees.

---

## For further Information, please contact:



**Lizst Real**  
Group Partner  
E: [lizst@hatstone.com](mailto:lizst@hatstone.com)  
T: +507 6550 7965



**Lidia Ramos**  
Head of Corporate Services  
E: [lidia.ramos@hatstone.com](mailto:lidia.ramos@hatstone.com)  
T: +507 6550 5300



**Manuel Carrasquilla**  
Associate  
E: [manuel.carrasquilla@hatstone.com](mailto:manuel.carrasquilla@hatstone.com)  
T: +507 830 5300

**HATSTONE**

[www.hatstone.com](http://www.hatstone.com)

BICSA Financial Center,  
Balboa Avenue,  
44th Floor, Suite 4405,  
Panama City, Republic of Panama  
T: +507 830 5300

NOTE ON THIS RELEASE  
The information contained in this client information release is intended as a general guide only. The contents are not intended as a substitute for formal legal advice and should be interpreted accordingly. Formal legal advice in all relevant areas should be sought before relying on any of the information contained in this release.