

INTERNATIONAL BANKING . IN PANAMA

by

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Panama, April 1981

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Panama has developed into an important banking centre during the last fifteen years. The purpose of the present article is to examine briefly the causes for such development, the growth of the banking system as a whole, the regulations which affect banking business, as well as certain special characteristics of the system.

I. REASONS FOR THE DEVELOPMENT OF THE BANKING SYSTEM

The continuous development of Panama since about fifteen years ago as a centre for international banking activity is the result of conditions external to Panama on the one hand, and, on the other, of a propitious financial and legal framework within which Panama had traditionally operated. For instance, the amounts of U.S. dollars circulating outside of the United States during the Sixties as well as developing uncertainties in various other traditional off-shore banking centres directed bankers to the possibilities of other countries as suitable places from which to conduct international banking business and thereby diminish the risks of doing such business. Attention was then focused on Panama for a number of reasons peculiar to Panama. Panama had a strong mercantile tradition which dated back to Spanish colonial days and which developed into an independent and viable economic system after Panama had achieved political independence in 1903. Another very important factor was its geographical location, the existence of the Panama Canal with its great incidence of international shipping and air communications with other parts of the world, as well as the immediate availability of the standard international telex and telephone communications. In the cities of Panama and Colon, there was already a large bilingual (Spanish and English) business community. Traditionally, the fiscal system of Panama was such that only income actually produced within Panama was subject to income tax, regardless of whether the transactions in question were conducted in Panama or outside. Another major factor was also the complete absence of monetary or exchange controls of any kind and the fact that, by law, the U.S. dollar was, as is now, legal tender.

In addition, the activities generated by the Panama Canal, the presence in the city of Colon of the Free Zone for bonded warehousing and manufacture, as well as favourable corporate and maritime legislation which had fostered the large development of Panama as a place for off-shore incorporation and ship registration, had already conditioned the financial community to the principles and mechanics of large scale financial transactions and placed it in close working

contact with the major financial and industrial centres of the world, to a point beyond which its rather small population and territorial extension would perhaps otherwise not have justified.

All of the above factors were reflected in the general as well as in the special legislation of the country, such as, for instance, that dealing with corporations, shipping, taxation, the Colon Free Zone, the re-insurance business and, of course, banking. There was also the manifest desire of successive governments, as well as of the population, to maintain and develop such characteristics.

Whereas prior to the middle Sixties a small number of foreign banks had already been established in Panama to conduct both local and international business, the late Sixties saw a marked increase in the registration of foreign banks. Panama, which hitherto had had rather simple statutory banking regulations, then reacted with the enactment in 1970 of certain banking legislation (the Banking Law) with the specific object of encouraging foreign banks while at the same time regulating their activities in a manner which would ensure the orderly conduct of the business without unduly restricting their operations. It sought also to give substance to the banking system in Panama by ensuring that only banks of recognised international standing could be licensed to conduct banking business in Panama, and by requiring banks to have actual premises and staff, thereby avoiding "paper banks" and banking service companies.

II. GROWTH OF THE BANKING CENTRE

As a direct result of the above, at 31 December 1980, there were 103 banks registered to do business and with offices in Panama (a list of which is given at the end of the article), from the following countries of origin:

U.S.A.	15	Argentina	3
Switzerland	7	Ecuador	3
Panama	10	England	2
Colombia	8	Brazil	2
Japan	7	Luxembourg	2
Germany	5	Arabia	1
France	5	Holland	1
Venezuela	5	Korea	1
Multinational	5	China (Taiwan)	1
Spain	4	Bolivia	1
Canada	4	Israel	1
Bahamas	3	Uruguay	1

Costa Rica	1	Chile	1
Finland	1	India	1
Cuba	1	Peru	1

(Source: National Banking Commissions)

The growth of the banking system in the last decade (1970 to 1980) may be appreciated from the following tables:

Total Assets of the Banking System
(in millions of U.S.\$)

1970	856.6
1975	10,257.5
1980 (Sept.)	36,547.3

(Source: National Banking Commission)

Total Deposits in the Banking System
(in millions of U.S.\$)

	Internal	External	Total
1970	341.2	410.9	752.1
1975	849.6	8,494.8	9,344.4
1980 (Sept.)	2,195.5	29,799.8	31,995.3

(Source: National Banking Commission)

Total Loans by the Banking System
(in millions of U.S.\$)

	Internal	External	Total
1970	419.8	245.4	665.2
1975	1,525.3	5,302.5	6,827.8
1980 (Sept.)	2,355.5	19,496.0	21,851.5

(Source: National Banking Commission)

From the foregoing it is interesting to note that the total assets of the Banking System have increased in the last ten years from 853.6 million to upwards of 36 billion dollars (U.S.\$36,547,300,000), that is to say, an increase of over forty-two times. The external deposits in

the last five years have gone from slightly over 8 billion to almost 30 billion dollars. The loans placed by the Banking System during the same period increased from slightly over 6 billion to almost 22 billion dollars, a greater than threefold increase in both instances.

III. PROCEDURES FOR THE ESTABLISHMENT OF BANKS

The Banking Law provides that banks wishing to conduct banking business in or from Panama would need to apply and obtain one of three types of banking licenses, which vary depending on the scope of the business which a particular bank wishes to conduct. The three types of licenses are General License, International License, and Representation License.

The General License authorises a bank to conduct banking business from an office in Panama with respect to both the domestic market and the international markets. Such banks may therefore obtain funds from local and overseas depositors, lend within and outside Panama, and generally carry on banking business from their offices in Panama without limitation as to any area or field of activity.

The International License, on the other hand, authorises a bank to conduct banking business from their offices in Panama, but only in respect of transactions which are consummated outside of Panama. Such banks may receive deposits originating only from outside of Panama and may not lend to companies or individuals carrying on business in Panama.

Finally, the Representation License merely authorises a bank to establish offices in Panama for the exclusive purpose of acting as a local representative of a head office in order to attract business and provide information for such head office. Banks operating with a Representation License are not authorised to actually conduct banking business from the office in Panama.

Thus, both General License banks and International License banks carry on from their offices in Panama the full range of international banking business which, by way of illustration only, could be summarised as follows:

- (a) acceptance of deposits on current account, on term or as savings, from entities and individuals within or outside Panama, International License banks being restricted to the latter;

- (b) lending in general, including by way of syndication, to entities and individuals;
- (c) investing and trading in foreign securities and in foreign exchange;
- (d) guaranteeing the obligations of third parties;
- (e) issuing letters of credit and creating acceptances, including bankers acceptances;
- (f) accepting and placing deposits, including inter-bank deposits.
- (g) issuing bonds and debentures.

In order to qualify to do banking business from offices in Panama, a bank must first file an application with the Banking Commission. The Commission, which was set up by the Banking Law, consists of seven members, three of which are members of the Government, three or which are representatives of the private banks, and one of which is appointed by the Government and who must not be a banker, and who incidentally has so far always been a government official. The application must contain certain documents required by the Banking Law and which are basic to the bank, such as its articles of incorporation or charter, its by-laws and its complete financial statement. It must also reflect the identities of the parties-in-interest and of the directors and officers of the bank.

Upon receipt of the application, the Banking Commission will order that an investigation be made of the antecedents of the applicant. The investigation is carried out by the Banking Commission in order to determine the nature of the applicant based on its financial data, place of origin, references from other banks already established in Panama and the applicant's probable contribution to the development of the banking centre in Panama. The power of the Commission to grant such licenses is discretionary and therefore an adverse decision cannot generally be appealed.

IV. BANKING REGULATIONS

Once the applicant has been granted the license, it must comply with the requirements of the Banking Law and of the Banking Commission which may be summarised as follows:

Office Premises:

Within six months of the granting of the license, the bank must staff and establish its offices in Panama, and begin operations. In the case of General License banks, the bank is required to have at least part of the premises at ground floor level, directly accesible to the public. No such requirements are made in respect of the other banks and they may consequently maintain their offices anywhere.

Staff:

The only requirement made by the Banking Law itself as regards staff is that, regardless of the license under which they operate, the banks must at all times maintain two attorneys-in-fact or mandatories in Panama, at least one of which must be a Panama national. In other respects, the banks must comply with the labour and immigration laws of general application. In general terms, these require that the proportion of foreign to national employees of the bank be not less than 10% to 90% and that the proportion of salaries paid to foreign and national employees be of not less than 10% to 90% . In any event, it is generally possible to obtain exceptions to the strict application of these percentages in cases where the number of total employees does not readily lend itself to such apportionment. Also, for the purposes of these percentages, foreign executive personnel of the bank are not counted when their respective funtions or duties are in respect of transactions or activities which are not consummated, or do not take place, in Panama. Foreign personnel are required to obtain the necessary permits from the immigration and labour authorities prior to their taking up their positions.

Capital Requirements:

Banks operating in Panama under a General License must have a paid-in capital in the case of subsidiaries, or an assigned capital in the case of branches of foreign banks, of not less than U.S.\$1,000,000. The paid-in or assigned capital, as the case may be, must be maintained in Panama in unencumbered assets. International License banks must maintain in Panama U.S.\$250,000 in restrictive cash deposits with Banco Nacional de Panama or in government bonds bearing 6% interest, also deposited with Banco Nacional de Panama.

General License banks organised by Panama nationals are allowed to start with an initial capital of US\$250,000 but must raise it to US\$1,000,000 within five years.

Capital Reserves:

Banks doing local banking business, that is to say General License banks, are required to maintain certain capital reserves such that the paid-in or assigned capital, as the case may be, plus such reserves, shall at no time be less than 4% of its productive assets. Productive assets are defined as loans and investments economically placed within Panama. No dividends may be declared or paid by the bank, and in the case of subsidiaries no profits may be transferred to the home office, until provisions for capital reserves have been made.

International License banks, on the other hand, are not required to maintain any capital reserves since under the terms of their license they cannot have loans economically invested in Panama.

Assets in Panama:

Banks operating in Panama under a General License, to the extent that they accept local deposits, must maintain in Panama, in addition to the paid-in or assigned capital, assets of a value equivalent at least to the percentage of its local deposits as shall from time to time be fixed by the Banking Commission. At present, this percentage has been fixed at 85% of local deposits.

Local deposits are defined as those payable:

- (a) to natural persons resident in Panama;
- (b) to companies registered in Panama and which have taxable income in Panama;
- (c) to branches of foreign companies registered in Panama and which are under the effective control of the Panama branch.

Contingency Credit:

To maintain their licenses, General License banks must be beneficiaries of certain contingency credits which must be granted in their favour either by their head office in the case of branches of foreign banks, or by another foreign bank. This contingency credit must be in U.S. dollars and must be in an amount equivalent to not less than 10% of the productive assets of the bank.

The purpose of the contingency credit is to ensure that banks will have such facilities available in the event that sums in excess of 10% of

the deposits in the banking system invested or used in Panama are withdrawn from the Panama banking system within a period of six months. In such cases, the Banking Commission may request the banks to use part or the whole of the credit and to maintain the proceeds in Panama. However, each bank is at liberty to use the funds so obtained at its discretion..

Legal Reserves:

General License Banks are required to maintain, in respect of their local deposits, certain legal reserves, which must be not less than 5% nor more than 25% of their local deposits, and which shall be fixed from time to time by the Banking Commission. Not less than 30% of the total percentage must be maintained in money of legal tender in Panama and kept by the bank itself. The balance may be kept in sight deposits with the Banco Nacional de Panama or in Treasury Notes of Panama bearing not more than 3% interest and of not more than ninety days' maturity.

At present, the legal reserve has been fixed by the Banking Commission at 12% of a bank's local sight deposits and 6% of the local term deposits. The percentage of legal reserves which must be maintained in currency of legal tender in Panama is 30%.

As above mentioned, the legal reserve is calculated on the basis of local deposits. Again, General License banks are subject to this requirement only to the extent of the local deposits held by them and, as International License Banks are not permitted to accept local deposits, they are not required to maintain legal reserves.

Liquidity:

All banks operating in Panama are also required to maintain a certain minimum level of liquid assets, as defined below, and which is calculated as a percentage of gross deposits as periodically fixed by the Banking Commission, and which may not be greater than 35%.

Credits or deposits from the head office of the bank are not counted for the purposes of calculating the total gross deposits for these purposes.

At present, the level of liquid assets has been fixed at 10% for mortgage banks and 30% for all other banks.

For the purposes of this requirement, the following are deemed to be liquid assets:

- (a) gold or currency of legal tender in Panama;
- (b) net balances in the Clearing House in Panama;
- (c) net balances in other banks in Panama of not more than 186 days' maturity;
- (d) Panama government securities of not more than 186 days' maturity;
- (e) net balances in banks in foreign countries, approved by the Banking Commission, and not more than 186 days' maturity and which must be in convertible currency;
- (f) bills of exchange not yet due and payable, drawn and accepted respectively by persons of recognised solvency and in convertible currency;
- (g) securities issued by foreign governments as approved by the Banking Commission, in convertible currency, and for a maximum of 5% of the liquidity level required; and
- (h) any other assets from time to time approved by the Banking Commission.

Legal Interest:

The Banking Commission has the power to fix the maximum rate of interest which banks may charge on local loans, i.e. loans invested in Panama. To date, the Banking Commission has not fixed such rate of interest and banks are therefore at liberty to fix their respective rates of interest on such loans.

Under the Banking Law, the Commission has no power to fix rates of interest on external loans. Consequently, both General License Banks and International License Banks are also at Liberty to determine their respective rates of interest on foreign loans, that is to say, on loans the proceeds of which will be used outside of Panama.

As regards interest payable by the banks, the banks are at liberty to determine the interest payable on all foreign deposits and on local time deposits. However, the Banking Commission has the power to fix the interest payable on local savings deposits. Further, the Banking Commission has the power to determine what constitutes local savings deposits, and it has determined that local deposits under U.S.\$14,000 will constitute such saving deposits.

Reporting Requirements:

Both General License and International License banks must, within three months of the closing of the fiscal year, file audited financial statements and profits and loss accounts with the Banking Commission, and post them in a prominent place in their premises, and publish them in a newspaper of general circulation in Panama.

All banks must also file with the Banking Commission monthly statements of assets and liabilities and, before the end of April, July, October and January of each year, they must also file with the Commission analyses of their credit facilities and assets as at the close of the preceeding quarter.

The Banking Commission shall also audit every bank at least once every two years.

Both General License and International License Banks are required to engage external certified public accountants at their expense, and who shall report every year to the parent company or to the shareholders, as the case may be.

Restrictions:

Both General License and International License banks are prohibited from remitting profits in the case of a branch of a foreign bank, or declaring or paying dividends in the case of a local subsidiary, until they shall have created enough reserves for the ammortisation of their organisational expenses.

In addition, they may not make any loans or extend any credit or guarantees to any one individual in an amount at any one time greater than 5% of its deposits, capital, and reserves. This restriction, however, does not apply to any one of:

- (a) bills of exchange secured by pledge or mortgage, by bankers acceptances, or by any other documents which the Banking Commission may from time to time authorise;
- (b) obligations guaranteed by another bank or by collateral deposit or secured by the pledge or mortgage of property which in good faith is of the same value as the obligations;

- (c) loans to the government of Panama or to municipalities, or which are guaranteed by the Nation, or to foreign governments as approved by the Banking Commission.

Further, both General License and International License banks are prohibited by the Banking Law from the following:

- (a) making loans guaranteed by their own shares;
- (b) lending over 15% of their capital and capital reserves to:
 - (i) one or more of their directors;
 - (ii) any company of which any of its directors or officers is a director or officer of the bank and such director or officer is a guarantor;
 - (iii) a company in which the bank or any of its directors holds a majority interest.
- (c) lending to any employee of the bank, without security, an amount greater than the yearly salary of such employee;
- (d) acquiring shares, unless in trust or for account of a client, of a value greater than 25% of the bank's paid-in or assigned capital and reserves, unless such shares have been transferred to the bank in settlement of a debt, in which case the bank must dispose of such securities as soon as possible, consonant with the interests of the bank;
- (e) buying, leasing or otherwise acquiring real property unless for the following purposes:
 - (i) as necessary for the operations of the bank or for the purposes of housing or entertaining its personnel;
 - (ii) for commercial housing development to be sold as soon as possible taking into consideration the financial interests of the bank;

- (iii) in exceptional circumstances as authorised by the Banking Commission; and
- (iv) to foreclose on guarantees, in which case the property must be sold as soon as practicable taking into consideration the financial interests of the bank.

V. TAXATION

The most important tax in Panama which affects banks is income tax, although whether, or to what extent, a bank is subject to income tax will depend on its activities. Thus, under general Panama income tax principles, only such income which is derived from sources within Panama is subject to Panama income tax. Therefore, banks will be subject to income tax only on their profits derived from loans made by them, the proceeds of which are used economically within Panama, and on commissions and other charges made by them in respect of transactions which in turn produce taxable income within Panama.

In view of the above, banks operating under a General License will not be subject to income tax on:

- (a) profits from loans to persons or companies who are domiciled outside of Panama and the proceeds of the loan are used outside of Panama;
- (b) profits from loans to persons or companies who are domiciled in Panama but who do not have any income produced from a source within Panama, and the proceeds of the loan are used outside of Panama;
- (c) interest derived from inter-bank deposits.

Banks which produce income only from local operations, or both from local and foreign operations as above described, must file yearly tax returns reflecting only the portion of their income produced from local operations, and must pay the corresponding income tax based on the progressive schedule of general application.

The schedule of tax payable on net taxable income is as follows:

Taxable Income	Tax
over US\$30,000	20%

Over US\$30,000 to US\$100,000	US\$6,000 plus 30% of excess over US\$30,000
over US\$100,000 to US\$500,000	US\$27,000 plus 45% of excess over US\$100,000
over US\$500,000	US\$207,000 plus 50% of excess over US\$500,000

Banks which produce income from both sources are allowed to deduct from their local income their general and indirect expenses in the same proportion as their local income has to their total income. On the other hand, the totality of direct expenses caused by a particular transaction may be deducted if the transaction in question was one which, in accordance with the above principles, produced taxable income. Direct expenses caused by a transaction which did not produce taxable income may not be deducted.

It will follow from the above comments that only banks operating under a General License will be subject to income tax in Panama, and then only as to their local income, as the other banks, under the terms of their licenses, are not permitted to make loans which will be used within Panama and which otherwise cause taxable income.

In addition to income tax, banks are also subject to a monthly tax of up to US\$300 per establishment operated by the banks in Panama City.

Bank personnel is also subject to income tax in Panama to the extent that an individual actually discharges his functions in Panama.

• VI. BOOKS, CORRESPONDENCE, AND BANKING SECRECY

In accordance with the law, the books of accounting must be kept either in Spanish or English. The general correspondence, on the other hand, may be maintained in any language.

As regards banking secrecy, it is a generally recognised principle, as well as sound banking practice, that banks must exercise the greatest discretion in their handling of clients' transactions. These principles are reflected in the legal provisions affecting banks. Specifically, then, the questions of banking secrecy should be considered

in the light both of the reporting requirements to which banks are subject and of general legal principles dealing with the subject.

As has been previously discussed, the Banking Commission is authorised to carry out periodic inspection of the books of the banks registered in Panama. However, the Banking Law has set limits to these powers of inspection by specifically providing that, in order to protect the confidentiality of the transactions of a client of the bank, such inspections may not include deposit accounts of whichever nature, securities in the custody of the bank, the contents of safe deposit boxes or documents concerning credit operations with customers of the banks. In other words, the banks are only bound to furnish the Banking Commission global information on their operations but not specific details concerning the affairs of a particular client.

The confidentiality of the books and records of banks registered in Panama is also protected both by certain constitutional and legal provisions applicable to merchants generally, and by certain others which are applicable to banks in particular. Thus, for instance, under the Constitution of Panama, private correspondence and documents are inviolable and may not be attached or inspected except by order of a competent authority in accordance with legal provisions. Further, provisions of the Commercial Code prohibit any authority, judge or court from making or ordering any investigation to determine whether books are being properly kept and from making general investigation of the accounts. In addition, it is also prohibited to order the delivery of the books and correspondence, except in specific cases of bankruptcy.

It is therefore only possible to order the disclosure of specific entries in the books in the course of legal proceedings at the instance of legitimate party who has shown proper cause and in compliance with the legal requirements for disclosure procedures. In other words, "fishing expeditions" are not possible under Panama law. Such disclosures, when ordered, must be conducted at the place where the books are kept.

Moreover, it is not permitted to request copies or reproductions of the books and records. Any information must be obtained directly from the books and, as above said, in the course of the proper legal proceedings.

An interesting provision is one which prohibits furnishing copies or reproduction of records to be used in legal proceedings outside of

Panama in compliance with orders from authorities other than those of the Republic of Panama. In other words, banks registered in Panama may not furnish documents from their records in Panama to be used in legal proceedings outside of Panama when such documents have been requested by foreign authorities. The intent of the provision was to establish the criminality of the furnishing of such information in such cases in order to reduce the possibility of pressure being brought to bear on the head office of a bank by authorities of its domicile to compel its branch or subsidiary in Panama to disclose information to be used against its will in proceedings before such authorities.

The criminal laws of general application, which therefore apply also to bank employees, impose penalties ranging from fines to terms of imprisonment to any person who, by reason of his employment, is in possession of information the disclosure of which may cause prejudice to third parties, and who discloses such information.

Finally, under the provisions of the law dealing with coded accounts, banks registered in Panama, regardless of their license, are permitted to operate coded or cyphered accounts. These may be in respect of current or deposit accounts, and of deposits of securities and market transactions. Under the terms of the law, the orders of payment and other correspondence from the holders of such accounts need not carry the name or signature of the account holder but any name or other identification agreed to beforehand between him and the bank. By law, banks are bound to maintain strict secrecy as regards the very existence of the account, the balances, and the identity of the customer.

The only instance where a bank may disclose information concerning a coded account is where so ordered by a Panama judge in the process of criminal proceedings. Any information so obtained must be maintained in strict secrecy by the official in question. No other authority, including fiscal authorities, are entitled under said law to obtain such information, and banks are specifically authorised to deny any such requests.

Bank managers and other personnel who divulge any information concerning the existence of such accounts or any details thereof not only to persons outside the bank, but even to the personnel within the bank not directly concerned with the management of such account, are subject to certain fines and terms of imprisonments.

Banks are of course at liberty as to whether they wish to offer coded account facilities to their clients as they are not bound to do so, and in each case to establish their internal regulations and procedures. The practice therefore varies from bank to bank.

VII. SPECIAL FEATURES

The experience of the banking legislation and practice in Panama has been one where sufficient latitude and freedom is granted to the banks to carry out the whole range of banking activities relatively unhampered by unnecessary regulation while at the same time they are required to operate within a framework which has ensured, first, that only institutions of recognised prestige are granted licenses to operate in Panama, and, secondly, that operations are carried out in such way as to afford the necessary protection to depositors and the orderly functioning of the banking system as a whole.

Although there is a government bank, namely Banco Nacional de Panama, there is no central bank as such. Banco Nacional de Panama acts only as a commercial bank in competition with the private banks and as the statutory depository of the funds of the government and its agencies. Moreover, there is no exchange control of any kind in Panama and although the Balboa is the official currency, on a parity with the U.S. dollar, there is no paper currency and the U.S. dollar in fact serves as the universal medium of exchange. Accordingly, it is lawful for banks as for individuals to hold any currencies, securities and bullion, which may move freely in and out of the country.

An interesting and successful experiment which was recently carried out was the establishment of Banco Latinoamericano de Exportaciones (Bladex). This institution was conceived and established by Latin American countries for the purpose of providing export finance for individual exporters within the area. It is organised as a Panama corporation, licensed by the Banking Commission to conduct banking operations, and is owned under a three tier system of shareholding. Thus, one class of shares is owned by the central banks of Latin American countries or other governmental institutions designated by the countries, another class of shares is owned by private banks the controlling interest of which is held by nationals of Latin American countries, and another class of shares is owned by various international banks outside of the Latin American sector.

Its principal purpose is working with bankers acceptances of credit documents discounted by individual exporters in Latin American

countries with member banks in their respective countries, which documents are then in turn discounted by Bladex in the various international financial centres. It also lends on medium-term to promote exports in Latin American products.

As of 31 December 1980, in scarcely two years of operations, Bladex had a paid-in capital of U.S.\$33,862,755, total assets of U.S.\$415,457,289, total deposits of U.S.\$268,151,406 (of which U.S.\$182,383,100 were from central banks), and had granted credits for the development of exports for U.S.\$204,347,132.

It has therefore been possible to establish, within the purview of the banking laws and systems of Panama, a credit institution which, being owned primarily by various national governments, would otherwise have required, at first instance, a multipartite treaty and, ultimately, individual legislation in each country for the purposes of its ratification.

VIII. BANKS IN PANAMA

As of 31 December 1980, the following banks, originating in the countries indicated after their respective names, have been licensed to carry on banking business in Panama:

General License

Official banks) Banco Nacional de Panama; Caja de Ahorros.

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(Luxembourg); Banco Comercial Antioqueno, S. A. (Colombia); The First National Bank of Boston (U.S.A.); Banco de Brasil, S. A. (Brazil); Marine Midland Bank (U.S.A.); Banco Sudamericano de Desarrollo (Venezuela); The International Commercial Bank of China (Taiwan); The Bank of Nova Scotia (Canada); Banco Union C.A. de Venezuela (Venezuela); Banco Real, S. A. (Brazil); Union Bank of Switzerland (Panama), S. A. (Switzerland); Bankers trust Co. (U.S.A.), The Royal Bank of Canada (Canada); Banco de Iberoamerica, S. A. (Multinational); Banco Internacional de Costa Rica, S. A. (Costa Rica); Merrill Lynch International Bank, Inc. (U.S.A.); Banco Agro-Industrial y Comercial de Panama, S. As. (Finland); Banco de Ultramar, S. A. (Venezuela); Banco Latinoamericano de Exportaciones, S. A. (BLADEX), (multinational); Sociedad de Banca Suiza (Panama), S. A. (Switzerland); The Dai-Ichi Kangyo Bank (Japan); The State Bank of India (India); Banco Comercial de Panama, S. A. (Panama); Banco Comercial Transatlantico, S. A. (Panama); Bank of Credit and Commerce International (Overseas) Ltd. (Luxembourg); Korea Exchange Bank (Korea); Banco Ganadero, S. A. (Colombia); The Sanwa Bank Ltd. (Japan); The Sumitomo Bank Ltd. (Japan); The Mitsui Bank Ltd. (Japan); Banco de Iberoamerica, S. A. (Multinational), Banco Consolidado (Panama), S. A. (Venezuela); and Banco do Estado de Sao Paulo S.A. (Brazil).

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S. A. (Multinational); Citicorp International Group, S.A. (U.S.A); Libra International Bank, S. A. (Multinational; Towervank Overseas Inc. (Panama); Banco Colombo Americano S.A. (Colombia); Banco Santa Cruz de la Sierra (Panama) S. A. (Bolivia); Banco Euroamericano S. A. (Spain); and Banco del Pacifico (Panama) S. A. (Ecuador).

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