

# PANAMA 2013 HUMAN RIGHTS REPORT

## EXECUTIVE SUMMARY

Panama is a multi-party constitutional democracy. In 2009 voters chose Ricardo A. Martinelli Berrocal as president in national elections that international and domestic observers considered generally free and fair. Authorities maintained effective control over the security forces. Security forces did not commit human rights abuses, although cases involving allegations of abuses from the previous year remained unresolved.

The principal human rights abuses were harsh prison conditions, judicial ineffectiveness, and attacks on freedom of expression.

Other human rights abuses reported included prolonged pretrial detention, corruption, violence against women and children, trafficking in persons, and child labor.

The government prosecuted few alleged cases of corruption or abuse of authority by government officials, leaving a widespread perception of impunity.

### **Section 1. Respect for the Integrity of the Person, Including Freedom from:**

#### **a. Arbitrary or Unlawful Deprivation of Life**

There were no reports that the government or its agents committed arbitrary or unlawful killings, but there were some killings by security force members in the line of duty.

In October, on the Pan American Highway near the town of San Carlos, police opened fire on a car they mistook for a similar car believed to be driven by escaped convicts. A two-year-old boy and a 15-year-old girl died as a result. Large street protests occurred, with civil society organizations demanding accountability. Although the National Police of Panama (PNP), Ombudsman's Office, and Attorney General's Office initiated separate investigations, none resulted in prosecutions or suspensions.

There was no progress in the 2012 killing of three persons in Colon by police attempting to quell protests over a controversial land sale law. The PNP,

Ombudsman's Office, and Attorney General's Office initiated separate investigations, but by year's end no prosecutions or suspensions had occurred.

A widely held perception of impunity persisted, as each year investigations were announced but the results were not made public. Law 74 of 2010, which prohibited the arrest of police in cases of unauthorized use of force, was ruled unconstitutional by the Supreme Court of Justice in November. The law had been used to grant pardons to an estimated 120 police and to delay other cases.

### **b. Disappearance**

There were no reports of politically motivated disappearances.

### **c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment**

The constitution prohibits such practices, but the Ombudsman's Office made credible reports that prison facilities engaged in degrading treatment and inhumane punishment. Relatives of inmates at times had to wait in line between 5 a.m. and 3 p.m. outside the prisons to get access for approved visits and were strip-searched before entering. Waiting areas for relatives did not have bathrooms.

Between January and October, the National Police Internal Affairs Office opened 619 disciplinary proceedings against police officers, including 87 for abuse against civilians, 56 for inappropriate conduct, 16 for domestic abuse, four for facilitating evasion from inmates, and other proceedings for the use of excessive force and other abuse. In October the Ombudsman's Office opened a case for the potential abuse of authority and excessive use of force by two PNP agents in an incident where two minors were killed.

In April the 15th Criminal Court called for the trial of PNP agents Ferdin Gonzalez and Miguel Rivera for physically abusing medical doctor Rafael Perez Castillo in 2011. By the end of November, a trial date had not been set.

### **Prison and Detention Center Conditions**

Prison conditions remained harsh and in some cases life threatening. Problems included overcrowding, use of police stations as detention facilities, a shortage of prison guards, and inadequate health care.

Physical Conditions: Problems included overcrowding, lack of medical services, lack of potable water, inadequate ventilation, lighting, and sewage treatment. As of September the prison system had an intended capacity of 8,576 persons but held 15,124 prisoners (14,056 male inmates and 1,068 female). In an effort to alleviate overcrowding, during the year the government released 901 inmates who had completed two-thirds of their sentences and released another 101 inmates on parole.

Authorities held men and women, and juveniles and adults, separately. Pretrial detainees shared cells with convicted prisoners due to space constraints, but prison authorities began to separate the two groups during the year. Through September, authorities separated 48 percent of pretrial detainees from convicted prisoners. As of September pretrial detainees were separated from convicted prisoners only in the prisons of Algarrobos, Llano Bonito, and La Chorrera. Although prison conditions for women were generally better than those for men, both populations remained in overcrowded facilities, with poor medical care and lack of basic supplies for personal hygiene. Juvenile pretrial and custodial detention centers also suffered from overcrowding and poor conditions. Inmates had inadequate supervision. There were only 726 prison guards nationwide. Funds to hire 200 new prison guards were approved in June, and by September 125 new prison guards were hired and in training. In all prisons inmates complained of limited time outside cells and limited access for family members. Small jails attached to local police stations sometimes held prisoners for days or weeks, and police officers who guarded them lacked the necessary custodial training to prevent abuses.

Prison medical care was inadequate due to lack of personnel and medical resources. The Office of the Ombudsman reported that there were three physicians at the La Joya-La Joyita complex, one in the women's prison, one in the Colon prison, one in El Renacer, and one in Tinajitas. Clinics within La Joya and La Joyita prisons provided first-aid assistance but lacked the capacity to attend to serious medical problems. Between January and June, there were 20,026 cases of medical assistance to inmates nationwide, compared with 37,453 during all of 2012. La Joyita had a 60-bed clinic, but it remained underused due to the lack of guards to watch ill detainees. In many cases authorities transferred patients to public clinics instead, but there often were difficulties arranging for transportation of the inmates to public clinics. Only one ambulance was in service. HIV/AIDS, tuberculosis, and other communicable diseases were common among the prison population. Between January and September, an estimated 45 percent of medical appointments were missed due to a lack of escorts from the National Police. Of

the 167 complaints by prisoners to the Office of the Ombudsman as of November, the overwhelming majority were related to poor or inadequate medical attention or problems with the transportation system to attend medical appointments.

As of November four inmates were killed in inmate-on-inmate violence in prisons, five died of HIV, five died of heart attacks, two died from tuberculosis, one died of cancer, and five died of natural causes.

As of September, 3,904 inmates were enrolled in education programs inside and outside the prisons, and 1,829 worked inside and outside the prisons. The system continued to apply the “2x1” reduction in time served (one day reduced for each two days of work or study).

Administration: The Ministry of Government oversees all prisons in the country through the National Directorate of the Penitentiary System (DGSP). The law governing the penitentiary system does not address promotion by meritocracy and lacks a career development plan as well as a salary scale. During the year the government raised the salary for prison guards from 500 balboas (\$500) to 690 balboas (\$690) a month, but as of September the Ombudsman’s Office could not confirm if the increase had gone into effect. In the first nine months of the year, the DGSP fired five prison guards for corruption or administrative errors and suspended two prison guards pending investigations. A hearing scheduled for October by the Second Criminal Court for 12 persons (nine police, two civilian prison guards, and the Juvenile Center director) facing trial over a 2011 fire in the juvenile detention center was postponed pending a Supreme Court ruling.

A software update for prison recordkeeping was operational in three prisons (La Chorrera, Llano Marin, and La Joyita); the rest of the prisons used an older version. Judges may order probation as an alternative to sentencing for nonviolent juvenile offenders. During the year judges placed 551 nonviolent juvenile offenders on probation, which required psychological counseling, regular school attendance, and regular meetings with a social worker. Eleven juvenile offenders had been granted house arrest as of December. The new accusatory justice system, active in four provinces at year’s end, includes provisions for plea bargaining and thus reduces imprisonment of nonviolent adult offenders (see section 1.e.).

The 2011 pilot program for electronic monitoring for nonviolent pretrial inmates was suspended during the year. The devices were being repurposed for enforcement of the new femicide law, which stipulates that bracelets are required to enforce restraining orders.

Prisoners could submit complaints to judicial authorities without censorship and request investigation of credible allegations of inhumane conditions, but authorities did not document the results of such investigations in a publicly accessible manner. The Ombudsman's Office negotiated and petitioned on behalf of prisoners and received complaints about prison conditions. The Ombudsman's Office also conducted weekly prison visits, and the government generally did not monitor its meetings with prisoners. As of November the Ombudsman's Office had received one complaint of physical abuse committed by a PNP agent.

Prisoners at most facilities had reasonable access to visitors and could observe their religious practices. The Catholic nongovernmental organization (NGO) Justice and Peace made regular visits and reported unobstructed access by various church groups of different faiths. Authorities limited prison access for religious groups to a maximum of two religious representatives at a time and required them to submit an annual action plan to justify access to prisoners.

Independent Monitoring: The government permitted prison monitoring by independent nongovernmental observers, including a UN Office on Drugs and Crime delegation, who subsequently issued a comprehensive report on corruption within the prison system. In October the Inter-American Commission on Human Rights (IACHR) held a hearing to address problems with overcrowding, illegal conduct, and lengthy detentions in the country's prisons.

Improvements: The government took several steps to improve prison and detention center conditions. To improve recordkeeping, it installed a new software program in three prisons that includes comprehensive information on every inmate, including data on legal status, hearing, and sentencing dates. The judicial branch, however, was not connected to the penitentiary system's database, which delayed submissions of paperwork required for scheduling hearings.

As of September, 260 prison guards and 63 percent of the administrative staff had received training on penitentiary law, human rights, women's issues, the new accusatory system, and the Tokyo, Bangkok, and Torture conventions at the Penitentiary Training Academy, in collaboration with the School of Human Rights of the Ombudsman's Office and prosecutors from the Public Ministry.

#### **d. Arbitrary Arrest or Detention**

The law prohibits arbitrary arrest and detention, and the government generally observed these prohibitions.

### **Role of the Police and Security Apparatus**

The country has no regular military forces. The PNP is responsible for internal law enforcement and public order. Civilian authorities in the Ministry of Public Security maintained effective control over all police, investigative, border, air, and maritime forces in the country. The government has mechanisms to investigate and punish abuse and corruption, but impunity was a problem.

Various laws limit use of force. One requires that police respect human rights and prohibits torture, cruelty, or other inhumane or degrading behavior. Law 74 of 2010 prohibits detention or any internal discipline against police accused of using excessive force prior to a conviction. In 2012 a unanimous ruling by the Supreme Court, ruling on a specific challenge, declared the application of the latter law in one specific case invalid, but at year's end the law remained in effect.

### **Arrest Procedures and Treatment of Detainees**

The Prosecutor's Office issues arrest warrants based on evidence. The law provides for suspects to be brought promptly before a judge, but lack of prompt arraignment continued to be a problem except in the judicial districts operating under the new accusatory justice system, where lack of prompt arraignment would void the arrest. The law requires arresting officers to inform detainees immediately of the reasons for arrest or detention and of the right to immediate legal counsel. The law provides for bail, and while a functioning bail system exists for a limited number of crimes, it was largely unused for the majority of cases processed under the old inquisitorial system, which remained in effect in half of the judicial districts. Under the inquisitorial system, most bail proceedings are at the discretion of the Prosecutor's Office and cannot be independently initiated by detainees or their legal counsel. Detainees gained prompt access to legal counsel and family members, and the government provided indigent defendants with a lawyer.

The law prohibits police from detaining suspects for more than 48 hours without judicial authorization but permits the detention of minors for 72 hours. By law under the inquisitorial system, the preliminary investigation phase of detention may last from eight days to two months, and the follow-up investigation phase can last another two to four months, depending on the number of suspects.

Arbitrary Arrest: Police generally apprehended persons openly and did not practice arbitrary or secret arrest and detention.

Pretrial Detention: The government regularly imprisoned inmates under the inquisitorial system for more than a year before a judge's pretrial hearing, and in some cases pretrial detention exceeded the minimum sentence for the alleged crime, largely because of judicial inefficiency and the use of a written inquisitorial system. As of September, according to government statistics, 64 percent of prisoners were pretrial detainees. Under the inquisitorial system, inmates wait approximately one year in pretrial detention, although there were cases of a two-year waiting period. Courts in the four provinces that began to use the accusatorial system reported a decreased case backlog as one result of the new system, with case processing times falling 85 percent. Communication among authorities improved during the year, and new procedural systems were implemented to maintain the schedule of hearings.

In 2012 authorities closed down the La Palma prison in the Darien and transferred inmates to La Joya prison in Panama City, but during the year the La Palma prison temporarily held inmates when they were originally arrested. Transfer to La Joya or La Joyita was slow. As of September, 28 persons were held in La Palma. The prison had two cells with poor ventilation. Previous conflicts about jurisdiction for cases involving inmates from the Darien were resolved: cases would continue to be heard in Darien courts, and inmates would be transported there from Panama City for their hearings.

In October the government passed Law 77 mandating that individuals in preventive detention be kept in prisons located within the province or legal district where the alleged crime was committed. The law did not apply to individuals facing charges of money laundering, trafficking in persons, crimes against national security, or crimes against humanity.

#### **e. Denial of Fair Public Trial**

The law provides for an independent judiciary; however, the judicial system was inefficient and susceptible to corruption and outside influence, and it faced allegations of manipulation by the executive branch.

The Directorate of Judicial Investigation, under PNP administrative control, provides investigative services to the judicial system. At the local level, mayors

appoint administrative judges (corregidores) who exercise jurisdiction over minor civil cases and the arrest and imposition of fines or jail sentences of up to one year. Outside of Panama City, this system had serious shortcomings. Such judges usually had no legal training or other pertinent expertise. Defendants lacked adequate procedural safeguards. Appeal procedures were generally nonexistent. Affluent defendants often paid fines, while poorer defendants faced incarceration.

### **Trial Procedures**

The law provides that all citizens charged with crimes enjoy a presumption of innocence and have the right to counsel, to refrain from incriminating themselves or close relatives, and to be tried only once for a given offense. If not under pretrial detention, the accused may be present with counsel during the investigative phase of proceedings.

In 2012 the government implemented the new code of criminal procedure (designed to transition the country from an inquisitorial to an accusatory system of justice) in the provinces of Los Santos and Herrera. The new system was first installed in Veraguas and Coclé provinces in 2011. The government budgeted 38 million balboas (\$38 million) for the four-phase implementation process, pending since 2009, which was expected to conclude in 2014. In February the National Assembly voted to delay implementation of the two remaining phases for two more years, until 2015 and 2016, respectively, while leaving the new accusatory system intact in the already-implemented districts. The system, which aims to expedite justice, includes three components: prosecutorial investigation overseen by a guarantee judge whose responsibility is to ensure due process, an indictment request by the prosecutor, and oral trials before a panel of three judges.

Under the inquisitorial judicial system, which was in force in all but four provinces, trials are open to the public. The law provides for trial by jury if the defendant so chooses, but only if one of the charges is murder. Judges may order the presence of pretrial detainees for providing or expanding upon statements or for confronting witnesses. Trials are conducted on the basis of evidence presented by the public prosecutor. Defendants have the right to be present at trial and to consult with an attorney in a timely manner. Defendants may confront or question adverse witnesses and present their own witnesses and evidence. Defendants and their attorneys have access to relevant government-held evidence. Defendants have a right of appeal. The law extends these rights to all citizens, and the judiciary generally enforced them.

The law obliges the government to provide public defenders for the indigent. In many cases public defenders received the case late in the investigation, after the prosecutor had evaluated most of the evidence and decided to recommend trial. There were no well-established procedures under the inquisitorial system for defenders to challenge the admissibility of evidence.

During the year the mobile court program was reduced as judges agreed to hold more video hearings to help decongest the system. Rooms were equipped for video hearings in La Joya, La Joyita, La Chorrera, and San Miguelito. The Colon video hearing room did not operate due to lack of technical staff to manage the equipment. Additionally, three video hearing rooms were operational at the Panama City main court building for inmates detained in other provinces. Transfer of prisoners took place only for murder charges or for court hearings in Colon and Darien provinces. The judicial branch reported approximately 12 hearings per month in those provinces.

From January through September, 2,247 video hearings were scheduled in the province of Panama; 1,417 actually took place. The remaining 830 hearings did not occur due to the absence of defendants' lawyers.

### **Political Prisoners and Detainees**

There were no reports of political prisoners or detainees.

### **Civil Judicial Procedures and Remedies**

The constitution and the judicial code establish an independent judiciary in civil matters. Alleged political manipulation of the judicial system remained a problem, and bureaucratic delay hindered access to judicial and administrative remedies in some court cases. Problems continued in enforcement of domestic court orders.

### **f. Arbitrary Interference with Privacy, Family, Home, or Correspondence**

The law prohibits such actions, and the government generally respected these prohibitions. The Public Ministry maintained representatives in each PNP division to approve searches, and they approved numerous searches during the year.

The law also sets forth requirements for conducting wiretap surveillance. It denies prosecutors authority to order wiretaps on their own and requires judicial

oversight. During the year several citizens claimed to have been wiretapping targets after making statements critical of the government.

## **Section 2. Respect for Civil Liberties, Including:**

### **a. Freedom of Speech and Press**

The constitution provides for freedom of speech and press, but there were some attempts by the government to impede the media's freedom of expression and silence criticism of public officials.

Freedom of Speech: An August report by the Panamanian Journalists Union noted 43 cases dealing with limits or threats to free speech during the first eight months of the year. Of the most recent 24 cases filed, 20 involved threats made by political or judicial powers. These threats generally took the form of public insults and harsh critiques against media outlets or individual reporters for stories that were unfavorable to the government.

Violence and Harassment: A few minor incidents involving unnecessarily rough and sometimes arbitrary detention of credentialed members of the press by security officials were reported. In June two TVN-Channel 2 journalists were detained for filming outside the National Security Council (NSC) headquarters, which according to NSC "put the nation's security at risk." The executive secretary of the Union of Panamanian Journalists was alerted and appeared on site. While filming with his cell phone, he claimed he was physically assaulted by the NSC secretary and other NSC members. Two journalists reported being detained by police while working on stories just outside Panama City and in Colon.

In June a court found five defendants guilty of the murder of Dario Fernandez Jaen and convicted them to sentences from 33 to 41 years in prison. Fernandez Jaen, owner of regional radio station Radio Mi Favorita and former governor of Cocle province, was shot and killed in front of his house in 2011 for reporting on corrupt land deals.

Censorship or Content Restrictions: The IACHR, the Inter American Press Association, the NGO Reporters without Borders, and other groups criticized government efforts to censor the press. The Forum of Journalists and the Union of Panamanian Journalists claimed that there was a reduction of access to official information, specifically for journalists who published or reported on stories critical of the government. Examples of the reduction of access included the

cancellation of scheduled interviews and the subsequent refusal by cabinet ministers and the government's secretary of communications to participate in news programs on TVN-Channel 2 or Radio Panama's *Sin Rodeos* program. Additionally, during an October 10 TV interview on Telemetro, President Martinelli admitted to ordering people in his administration not to answer questions from *La Prensa*'s journalists.

Libel Laws/National Security: In February the Supreme Court ruled in favor of journalists Sabrina Bacal and Justino Gonzalez, declaring them innocent of libel and slander charges filed in 2005. According to the Supreme Court magistrate, the information made public by journalists Bacal and Gonzalez was correct and was based on an investigation made by the NSC. Additionally, the judge ruled that there was no malicious intent with its publication.

### **Internet Freedom**

There were no government restrictions on access to the internet, but there were anecdotal reports that the government monitored private e-mails without appropriate legal authority. The International Telecommunication Union reported that in 2012 there were 1.6 million internet users in the country, representing 45 percent of the total population.

### **Academic Freedom and Cultural Events**

There were no government restrictions on academic freedom or cultural events.

### **b. Freedom of Peaceful Assembly and Association**

The law provides for freedom of assembly and association, and the government generally respected these rights. Nevertheless, police at times used force to disperse demonstrators, especially when highways or streets were blocked. The law states that anyone who, through use of violence, impedes the transit of vehicles on public roads or causes damage to public or private property may be sentenced to imprisonment for six to 24 months.

### **c. Freedom of Religion**

See the Department of State's *International Religious Freedom Report* at [www.state.gov/j/drl/irf/rpt](http://www.state.gov/j/drl/irf/rpt).

#### **d. Freedom of Movement, Internally Displaced Persons, Protection of Refugees, and Stateless Persons**

The law provides for freedom of internal movement, foreign travel, emigration, and repatriation, and the government generally respected these rights, except in Darien province. The government generally cooperated with the Office of the UN High Commissioner for Refugees (UNHCR) and other humanitarian organizations in providing protection and assistance to refugees, persons under temporary humanitarian protection (THP), asylum seekers, and other persons of concern. The UNHCR had a unit dedicated to Panama within its regional office.

In 2012 the government established a National Working Group under the leadership of the National Office for the Protection of Refugees (ONPAR) with the participation of the UNHCR, which provides technical support for handling cases of asylum seekers and refugees. ONPAR's main office was located in the capital. Additionally, three ONPAR employees maintained a presence in different regions of the Darien province and one on the border with Costa Rica.

In-country Movement: The government generally permitted freedom of movement for recognized refugees and asylum seekers; however, it restricted the freedom of movement of Colombian citizens living in the Darien region bordering Colombia under the THP regime. These individuals could leave those locations only with special temporary permits issued by ONPAR.

#### **Protection of Refugees**

Access to Asylum: The country's laws provide for the granting of asylum or refugee status, and the government has established a system for providing protection to refugees. A Colombian THP group has lived in the Darien region for more than 17 years. A 2011 law (Law 81) provides an avenue for those under THP to obtain legal permanent residency and requires the government to complete this regularization process within two years from the passage of the law. ONPAR coordinated with the UNHCR, National Civil Registry, and Colombian embassy in this process. Law 81 expires in 2014. The latest census from ONPAR counted 411 THP designees.

According to ONPAR, as of June there were 1,608 people with refugee status, of whom 901 were Colombian. There were 712 applications for refugee status pending, and 368 of these were Colombian.

The national border and coast protection force, SENAFRONT, detected 1,808 Cuban migrants who arrived between January and October, compared with 2,658 in 2012. Most passed through Panama on their way north. In September the government granted asylum to nine Cuban migrants who arrived from the Bahamas.

The government reported continued migration of people from South Asia and Africa en route to North America. A total of 563 people applied for asylum between January and June. The majority of asylum seekers were Colombian. Authorities typically held extracontinental migrants in detention while their identities were verified and their asylum applications were reviewed. As of December there were 48 detainees held in the male immigration detention facility (Curundu) and 28 in the female facility (Avenida Cuba).

According to the UNHCR and its NGO implementing partners, hundreds of persons living in the country may be in need of international protection. These included persons who were not granted asylum, persons whose claims were denied, and persons who did not apply for refugee status due to lack of knowledge or fear of deportation. Some sought to legalize their status in other ways. At an event held for 15 days between September and October, 11,091 immigrants from several countries, mainly Colombia, Nicaragua, the Dominican Republic, Venezuela, Peru, Ecuador, El Salvador, and China, applied to regularize their status through the “Crisol de Razas” program. This program allows illegal immigrants an opportunity to legalize their status, providing they can prove employment and pay 1,300-1,800 balboas (\$1,300-\$1,800) in fees.

Refoulement: The law incorporates protections against refoulement and sanctions for illegal or irregular entry. At times, however, border officials and authorities in urban centers did not have a clear understanding of their responsibilities when dealing with persons seeking asylum or refugee status. This lack of clarity resulted in arbitrary detention and placed asylum seekers at an increased risk of forced return to countries where their lives or freedom could be threatened.

UNHCR representatives report two cases of refoulement during the year. The UNCHR submitted diplomatic notes to the government in both cases, insisting that international laws should be respected and applied, specifically the 1951 Refugee Convention.

Aldier Nieto Ramirez entered the country on June 5 and requested refugee status. He was held in a detention center in Panama City, under the control of immigration

authorities, where he was interviewed by ONPAR to start the refugee process. Due to poor communication or a lack of understanding, immigration officials returned Ramirez to Colombia two days later.

On July 6 and August 3, SENAFRONT officers returned 13 members of the Wounaan indigenous community to Colombia, despite their requests for refugee status.

Refugee Abuse: Refugee women in border areas and in certain urban neighborhoods continued to be at risk for gender-based violence.

The government did not permit THP holders to freely move within the country.

Employment: Refugees recognized by the authorities have the right to work, but recognized refugees complained that they faced discriminatory hiring practices.

Access to Basic Services: Refugees were sometimes denied access to education, while others were not issued diplomas if they could not present school records from their country of origin.

Durable Solutions: On October 22, the government published Law 74, which allows persons legally recognized as refugees or with asylum status to seek permanent residency. Law 74 applies to individuals in the country for more than three years.

Temporary Protection: The only persons accorded temporary protection were the persons recognized with THP status, who were mostly of Afro-Colombian heritage. A 2011 law established procedures for this group of refugees to become permanent residents, and the UNHCR and civil society organizations played an active role in implementation of the law. ONPAR is responsible for the process, with support from the Civil Registry Office.

### **Section 3. Respect for Political Rights: The Right of Citizens to Change Their Government**

The law provides citizens the right to change their government peacefully, and citizens exercised this right in practice through periodic, free, and fair elections based on universal suffrage. The law provides for direct popular election every five years of the president, vice president, legislators, and local representatives. Naturalized citizens may not hold specified categories of elective office.

## **Elections and Political Participation**

Recent Elections: In 2009 voters chose Ricardo A. Martinelli Berrocal, the opposition Alliance for Change candidate, as president in national elections independent observers considered generally free and fair. In preparation for the 2014 general elections, political parties held internal primaries for presidential and nationwide candidates. The Electoral Tribunal supervised the primaries, which were considered clear and transparent.

Political Parties: The law requires new political parties to meet strict membership and organizational standards to gain official recognition and participate in national campaigns. In September the Electoral Tribunal recognized the Frente Amplio por la Democracia (FAD) as a new, legally registered political party upon its compliance with electoral laws. The recognition enables FAD to participate in the 2014 general elections.

Participation of Women and Minorities: Women held six seats in the 71-member legislature and three places in the 17-member cabinet. Five seats in the legislature were designated to represent the country's recognized indigenous regions. In general deputies in the legislature, cabinet members, and members of the Supreme Court did not identify themselves as members of ethnic or racial minorities.

## **Section 4. Corruption and Lack of Transparency in Government**

The law provides criminal penalties for official corruption, but the government generally did not implement these laws effectively. There were allegations that government officials engaged in corrupt practices with impunity. Corruption remained a problem in the executive, judicial, and legislative branches as well as in the security forces.

Anticorruption mechanisms such as asset forfeiture, whistleblower and witness protection, plea bargaining, and professional conflict-of-interest rules existed. Although the law provides for judicial appointments through a merit-based system, civil society groups maintained that political influence and undue interference by higher-level judges undermined the system.

Corruption: In April the government passed Law 33 to upgrade the National Transparency Council against Corruption to the National Authority for Transparency and Access to Public Information (ANTAI). ANTAI combats and

investigates government corruption and was headed by anticorruption czar Abigail Benzadon. Civil society groups continued to criticize ANTAI for not operating effectively and independently. ANTAI appeared to be adequately resourced.

In September the local chapter of Transparency International reported that the government had made little progress in its fight against corruption, specifically in cases involving potential conflict of interests and free access to public information. The report highlighted the lack of regulation for prohibitions and incompatibilities that should be enforced for all elected authorities, the lack of norms for penalties due to unapproved absences from work by elected authorities, and the lack of regulation on the use of public resources.

Corruption and a lack of accountability among police officers continued to be a problem.

In February the government fired and filed extortion charges against three employees from the National Revenue Directorate, including the Veraguas province regional director Rolando Rosas. The employees were caught in a sting operation attempting to extract payments from Asian business owners. Under the criminal accusatory system in place in Veraguas, the guarantee judge imposed house arrest on the three employees. In March the Appeal Court overruled the guarantee judge's decision and granted bail. The individuals must report to the court every 15 days until a trial date is set.

In May the 12th Criminal Court sentenced former minister of education Belgis Castro to three years' imprisonment for embezzlement of 153,000 balboas (\$153,000) in Panama City. Castro's lawyers filed an appeal. Castro continued to face embezzlement charges in seven other cases in different provinces.

In August, following pressure from civil society, the National Assembly dismissed Ombudswoman Patria Portugal based on Public Ministry charges of mismanagement of public funds. Portugal was replaced in September by lawyer Lilia Herrera Mow to finish Portugal's term.

Whistleblower Protection: Draft legislation was introduced in July to guarantee protection for whistleblowers.

Financial Disclosure: The law requires certain executive and judicial branch officials to submit a financial disclosure statement with the Comptroller General's Office. Officials must report tax returns, bank accounts, outstanding debts, and

organization memberships. The information is not made public. Authorities place criminal charges only in cases of illicit gain, although officials have their salaries withheld if they do not file.

Public Access to Information: The law provides for public access to information about public entities, with the exception of cabinet meeting minutes. The government often, but not always, responded to inquiries for information. Most such requests came from lawyers. Denials of information can be appealed to the Supreme Court, and journalists generally made use of this recourse. Deadlines are 30 days, and there are no processing fees. There are sanctions for noncompliance, primarily fines. There was minimal public outreach or training on freedom of information laws and procedures.

The government made a commitment to publishing public information on official websites. Many government ministries and agencies, however, did not update their sites, and statistics or other information were often more than one year old or unavailable.

### **Section 5. Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights**

A number of domestic and international human rights groups generally operated without government restriction, investigating and publishing their findings on human rights cases. Government officials generally were cooperative and responsive to their views.

Government Human Rights Bodies: The ombudsman, elected by the National Assembly, has moral but not legal authority, received government cooperation, and operated without government or party interference. The Ombudsman's Office referred cases to the proper investigating authorities.

### **Section 6. Discrimination, Societal Abuses, and Trafficking in Persons**

The law prohibits discrimination based on race, gender, disability, language, or social status, but the government did not always enforce these prohibitions effectively.

### **Women**

Rape and Domestic Violence: The law criminalizes rape, including spousal rape, with prison terms of five to 10 years, or eight to 10 years under aggravating circumstances (use of a weapon). Rapes constituted the majority of sexual crimes investigated by the PNP and its Directorate of Judicial Investigation. NGOs reported that many women were reluctant to report rape to the authorities due to fear of retaliation, inadequate response, and social stigma. The Integrated National System for Criminal Statistics (SIEC) within the Ministry of Security reported 946 cases of rape as of the end of July.

Domestic violence continued to be a serious and underreported problem. On October 21, President Martinelli signed into law a measure designed specifically to confront “femicide,” or cases involving gender-based violence. The new law stipulates stiffer penalties for harassment and both physical and emotional abuse and provides prison terms of up to 30 years for murder. The law criminalizes domestic abuse and family violence with prison terms of two to four years and makes domestic violence an aggravating circumstance in homicide cases. It also mandates education and violence prevention measures as well as a host of victim support services. SIEC statistics reported 1,283 cases of domestic violence from January through June. Statistics for January through September from the Panamanian Observatory Against Gender-Based Violence, run by the Human Rights Ombudsman’s Office, showed that of the 47 women who died violently, 30 died as a result of domestic violence. Most domestic violence homicides took place on weekend evenings, and 51percent of the victims were between 11 and 30 years old.

The government,through the National Institute for Women Affairs,operated shelters in Panama City, Chiriqui, and Colon for victims of domestic abuse and had offered social, psychological, medical, and legal services to approximately 45 women as of November. In 2012 the Ombudswoman’s Office procured the facilities for a seven-apartment shelter for domestic abuse victims to be operated by the Panamanian Observatory Against Gender-Based Violence; however, lack of funds to pay administrative staff to run the shelter prevented the government from issuing the legal permit to open the shelter. In September the observatory and the National Institute for Women Affairs signed an agreement to transfer the facilities to the institute’s management.

Sexual Harassment: The law prohibits sexual harassment in cases of established employer/employee relations in the public and private sectors and in teacher/student relations; violators face up to a three-year prison sentence. The extent of the problem was difficult to determine, as convictions for sexual

harassment were rare, and pre-employment sexual harassment was not actionable. Government statistics showed 110 open cases of sexual harassment from January through July.

Reproductive Rights: Couples and individuals have the right to decide the number, spacing, and timing of their children, and they had the information and means to do so free from discrimination. Access to information on contraception and skilled attendance at delivery and in postpartum care were widely available, except in provincial-level indigenous regions, where it was limited, according to the American Red Cross. In March the government approved a sterilization law, Law 196, allowing women 23 years old or older who already have two children to decide if they preferred to undergo voluntary sterilization.

Discrimination: The law prohibits discrimination on the basis of gender, and women enjoyed the same rights as men under family, property, and criminal law. The law recognizes joint and common property in marriages. The law mandates equal pay for men and women in equivalent jobs. The Ministry of Social Development (MIDES) and the National Institute of Women promoted equality of women in the workplace and equal pay for equal work, attempted to reduce sexual harassment, and advocated legal reforms.

## **Children**

Birth registration: Although the law provides citizenship for all people born in the country, children in remote areas sometimes had difficulty obtaining birth registration certificates.

Child Abuse: MIDES maintained a free hotline for children and adults to report child abuse and advertised it widely. From January to September, the hotline received 8,680 calls. The ministry provided funding to children's shelters operated by NGOs in seven provinces and continued a program that used pamphlets in schools to sensitize teachers, children, and parents about mistreatment and sexual abuse of children.

Forced and Early Marriage: The minimum legal age for marriage is 18, but girls may marry at 14 and boys at 16 with parental consent.

Sexual Exploitation of Children: Sexual abuse of children was reported in urban and rural areas as well as within indigenous communities. As of June government

statistics showed 14 new cases of child pornography and 34 new cases of sexual abuse of children.

The law prohibits consensual sex between adults and children ages 14 to 18, except for children who are married with parental consent, and imposes a penalty of up to three years' imprisonment for the crime. If the child is younger than 14, the act is punishable with four to 10 years' imprisonment. The law provides for three- to five-year prison terms for anyone who practices, facilitates, or promotes the corruption of a minor, and it criminalizes child pornography with the same penalty. The penal code also punishes individuals for selling or negotiating the purchase of sexual favors from people in prostitution with penalties of up to 10 years' imprisonment when the victim is younger than 18. Sex tourism involving children is also punishable.

International Child Abductions: The country is a party to the 1980 Hague Convention on the Civil Aspects of International Child Abduction. For information see the Department of State's annual report on compliance at [www.travel.state.gov/abduction/resources/congressreport/congressreport\\_4308.html](http://www.travel.state.gov/abduction/resources/congressreport/congressreport_4308.html), as well as country-specific information at [http://travel.state.gov/abduction/country/country\\_5880.html](http://travel.state.gov/abduction/country/country_5880.html).

### **Anti-Semitism**

There was a Jewish population of approximately 12,000 persons. In June, on her personal radio talk show, the governor of Panama province, Mayin Correa, publicly called *La Prensa* journalist Flor Mizrachi a "Gestapo little Jewish girl." Local Jewish groups and the Simon Wiesenthal Centre in Argentina condemned the governor's remarks. Governor Correa disagreed with an article by Mizrachi critical of President Martinelli.

### **Trafficking in Persons**

See the Department of State's *Trafficking in Persons Report* at [www.state.gov/j/tip](http://www.state.gov/j/tip).

### **Persons with Disabilities**

The law prohibits discrimination based on physical, sensory, intellectual, or mental disability, but the constitution permits the denial of naturalization to persons with mental or physical disabilities. The law mandates access to new or remodeled

public buildings for persons with disabilities and requires that schools integrate children with disabilities. Persons with disabilities experienced substantial discrimination in access to transportation, employment, education, access to health care, and the provision of other state services. Panama City's fleet of new buses was initially wheelchair accessible when first introduced in 2011, but the subsequent installation of turnstiles made access difficult for passengers using wheelchairs. Most businesses had wheelchair ramps and accessible parking spaces as required by law, but in many cases they did not meet government specifications as to size. Some public schools admitted children with mental and physical disabilities, but most did not have adequate facilities for other children with disabilities. The government installed ramps in some schools and mainstreamed some children with disabilities. Few private schools admitted children with disabilities.

In 2012 President Martinelli signed a law establishing the Guardian Angel program, which provides a subsidy of 80 balboas (\$80) per month for children with significant physical disabilities. To qualify, the parents or guardian of a child must be living in poverty and must submit medical certification as to the degree of the disability and the child's dependency on another person. The government issued the first disbursement of funds from this program in August. A total of 1,657 persons with disabilities received a check for 160 balboas (\$160).

During the year the First Lady's Office continued to promote awareness on autism. In addition to participating in various conferences, the First Lady's Office sponsored the first national survey for people with autism, which assessed 686 individuals.

As of October there was no ruling from the Supreme Court regarding a challenge to Law 35 on grounds of discrimination and the protection of private information. The 2010 law mandates that the National Electoral Tribunal include a person's disabilities as well as blood type and allergies on his or her national identification card in case of emergency. The law also requires the National Transportation Authority to include the same information on a state-issued driver's license. Neither the Electoral Tribunal nor the National Transportation Authority enforced this law.

The National Secretariat for the Social Integration of Persons with Disabilities (SENADIS) is the government agency responsible for protecting the rights of persons with disabilities. The Ministry of Education and MIDES share responsibilities for educating and training minors with disabilities.

In July SENADIS made public that it would not be able to conduct the nationwide “certification” process for persons with disabilities due to lack of resources and trained personnel, precluding the country from fulfilling the World Health Organization’s mandated Disability Assessment.

The law stipulates a 2 percent quota for persons with disabilities within the workforce. The Ministry of Labor and Labor Development (MITRADEL) is responsible for referring workers with disabilities to employers for suitable jobs; however, successful hiring by private sector employers remained poor. In August SENADIS and MITRADEL sponsored a career fair with 50 local companies to offer jobs to people with disabilities. The Ombudsman’s Office received complaints of governmental violations involving the labor rights of persons with disabilities.

SENADIS continued to operate the Family Businesses Project, which assisted low-income families with disabled members to open microbusinesses. The government provided 50 balboas (\$50) per month and donated rehabilitation equipment to low-income persons with disabilities. SENADIS, together with the Small Business Authority and the National Institute for Technical Education, held one-week training courses in the provinces of Chiriqui and Bocas del Toro for persons with disabilities interested in opening a small business.

SENADIS trained Electoral Tribunal staff nationwide on how to assist persons with disabilities in preparation for the 2014 elections. The training raised awareness to make voting centers and voting rooms as accessible as possible. The Electoral Tribunal held a media campaign encouraging persons with disabilities to call a hotline so that their names would be listed in accessible voting rooms.

In October the Ombudsman’s Office trained 20 employees on sign language to assist deaf citizens with potential complaints.

### **National/Racial/Ethnic Minorities**

Minority groups were generally integrated into mainstream society. Prejudice was directed, however, at recent immigrants. Cultural and language differences and immigration status hindered the integration of immigrant and first-generation individuals from China, India, and the Middle East into mainstream society. Additionally, some members of these communities were themselves reluctant to integrate into mainstream society. Members of these groups often owned major

businesses or worked in the retail trade. A constitutional provision reserving retail trade for citizens of the country generally was not enforced.

The Afro-Panamanian community continued to be underrepresented in positions of political and economic power. Areas where they lived conspicuously lacked government services and social sector investment. Prejudice toward blacks was generally subtle, taking the form of unofficial “right-of-admission” policies at restaurants and commercial establishments that discriminated against darker-skinned individuals or those of lower social status.

The law prohibits discrimination in access to public accommodations such as restaurants, stores, and other privately owned establishments. Cases of discrimination in public accommodation were not commonly filed.

There were reports of racial discrimination against various ethnic groups in the workplace. In general, lighter-skinned persons were represented disproportionately in management positions and jobs that required dealing with the public, such as bank tellers and receptionists. Some businesses discriminated against citizens with darker skin through preferential hiring practices.

### **Indigenous People**

The law affords indigenous persons the same political and legal rights as other citizens, protects their ethnic identity and native languages, and requires the government to provide bilingual literacy programs in indigenous communities. Indigenous individuals have the legal right to take part in decisions affecting their lands, cultures, traditions, and the allocation and exploitation of natural resources. Nevertheless, their participation in society continued to be marginalized. There were legally designated areas governed by traditional community leaders for five of the country’s seven indigenous groups, including the Embera-Wounaan, Ngabe Bugle, and Guna communities. The government did not recognize such areas for the smaller Bri-Bri and Naso communities. In June the National Land Authority delivered two new titles encompassing 3,310 acres of collective lands to the Embera-Wounaan. Six collective land claims were pending at year’s end. No new land titles were granted for collective lands in the Embera-Wounaan Comarca.

The Ministry of Government contains an Office of Indigenous Policy, and on September 20, it approved a law creating a vice-ministry for indigenous affairs. As of November a vice minister had not been named. The role of the new office is to develop policies that address the social, economic, and cultural needs of all

indigenous groups. The Ministry of Government also drafted, in coordination with all indigenous leaders, a comprehensive Development Plan for Indigenous Groups that was being reviewed by the indigenous General Congresses and other authorities. Although the country's law is the ultimate authority on indigenous reservations, indigenous groups maintained considerable autonomy. Nevertheless, many indigenous persons misunderstood their rights and failed to employ legal channels when threatened because they did not have an adequate command of the Spanish language.

During the year there were multiple conflicts between the government and indigenous groups regarding decisions affecting indigenous land. The Ngabe Bugle and the Naso continued to clash with the government over the issue of hydroelectric plants on territorial lands, and the government on several occasions deployed riot police to clear roads and worksites that had been blocked by the indigenous. SENAFRONT clashed with Guna Comarca authorities over the extent of autonomy while on border patrol operations in Guna territory. The Gunas posited that no operations can be carried out in their territories without notifying their General Congress; however, SENAFRONT maintained it has authority to conduct operations within the comarca.

Indigenous communities continued to fight against illegal settlements on their land. No violent clashes were reported, but there were road closures and protests by both the indigenous and settlers over land issues in the comarcas and in collective lands. At year's end the Supreme Court had not ruled on cases pertaining to land issues in the Embera-Wounaan Comarca. In February the IACHR sent a case to the Inter-American Court of Human Rights regarding the Guna of Madungandi and the Embera of Bayano against the government for not adequately and effectively protecting the ancestral territories and resources of these groups.

Societal and employment discrimination against indigenous persons was widespread. Employers frequently did not afford indigenous workers basic rights provided by law, such as a minimum wage, social security benefits, termination pay, and job security. Laborers in the country's sugar, coffee, and banana plantations (the majority of whom were indigenous persons) continued to work in overcrowded and unsanitary conditions. Employers were less likely to provide adequate housing or food to indigenous migrant laborers, and indigenous children were much more likely to work long hours of farm labor than nonindigenous children (see section 7.d.). MITRADEL conducted limited oversight of working conditions in remote areas due to limited staff.

Education continued to be deficient in the indigenous comarcas, especially above the primary grades. There were not enough teachers due to the remoteness and inaccessibility of the areas. Many schools were multi-grade, lacked running water, and were poorly constructed. Access to health care was a significant problem in the indigenous comarcas, reflected in high infant mortality rates and malnutrition. To address these problems, the Ministry of Health created the Directorate for Indigenous Sanitary Issues.

### **Societal Abuses, Discrimination, and Acts of Violence Based on Sexual Orientation and Gender Identity**

The law does not prohibit discrimination based on sexual orientation, and there was societal discrimination based on sexual orientation and gender identity, which often led to denial of employment opportunities. The PNP's regulations describe homosexual conduct as a "grave fault." Harassment of lesbian, gay, bisexual, and transgender (LGBT) persons by security forces was a major complaint of the New Men and Women of Panama (AHMNP), the country's main LGBT organization, but formal complaints were rare due to the perception that the reports were not taken seriously or that complaints could be used against claimants in the absence of nondiscrimination legislation. On June 29, gay rights advocates led the annual gay pride parade.

The Panamanian Association of Transgender People reported regular incidents in which security forces refused to accept complaints of harassment of transgender individuals.

### **Other Societal Violence or Discrimination**

The law prohibits discrimination against persons with HIV/AIDS in employment and education, but discrimination continued to be common due to ignorance of the law and a lack of mechanisms for ensuring compliance.

## **Section 7. Worker Rights**

### **a. Freedom of Association and the Right to Bargain Collectively**

The law provides for the right of private sector workers to form and join unions of their choice subject to the union's registration with the government. Public servants may not form unions but may form associations that may bargain collectively on behalf of members.

The law provides for the right of private sector workers to strike, and the Administrative Career Law grants public sector employees the same right (when deemed legal and when essential positions are covered by the minimum percentage of workers as set out in the law). The right to strike does not apply in areas deemed vital to public welfare and security, including police and health workers. The law provides all private sector and public sector workers the right to bargain collectively, prohibits employer antiunion discrimination, and protects workers engaged in union activities from loss of employment or discriminatory transfers.

The law places several restrictions on these rights, including requiring citizenship to serve on a trade union executive board, requiring a minimum of 40 persons to form a private sector union (either by company across trades or by trade across companies), and permitting only one trade union per business establishment. The International Labor Organization continued to criticize the 40-person minimum, stating that was too large for workers wanting to form a union within a company. The government, private sector, and unions reiterated their support for keeping the figure at 40 individuals.

Similarly, 50 public servants are required to form a worker's association. Member associations represent public-sector workers such as doctors, nurses, firefighters, and administrative staff in government ministries. The law stipulates that there may not be more than one association in a public sector institution and permits no more than one chapter per province.

The law provides that if the government does not respond to a registration application within 15 days, the union automatically gains legal recognition.

Strikes must be supported by a majority of employees and related to improvement of working conditions, a collective bargaining agreement, or in support of another strike of workers on the same project (solidarity strike). In the event of a strike of administrative workers, at least 25 percent of the workforce must continue to provide minimum services, and 50 percent of the workers providing "essential public services" as defined by the law, such as transportation, firefighting, mail, hospitals, and telecommunications, must continue to provide those services.

Strikes in essential transportation services are limited to those involving public passenger services. The law prohibits strikes for the Panama Canal Authority's employees but allows unions to organize and bargain collectively on such issues as schedules and safety. It also provides for arbitration to resolve disputes. By law

the National Federation of Public Servants (FENASEP), an umbrella federation of 21 public sector worker associations, is not permitted to call strikes or negotiate collective bargaining agreements. Individual associations under FENASEP may negotiate on behalf of their members.

Supreme Court decisions recognize that collective agreements negotiated between employers and unorganized workers have legal status equivalent to collective bargaining agreements negotiated by unions. Executive decrees provide that an employer may not enter into collective negotiations with nonunionized workers when a union exists and that a preexisting agreement with nonunionized workers cannot be used to refuse to negotiate with unionized workers. MITRADEL's *Manual of Labor Rights and Obligations* provides that unorganized workers may petition the ministry regarding labor rights violations and may exercise the right to strike.

An executive decree protects employees from employer interference in labor rights, specifically including "employer-directed unions," and mandates that unions be freely chosen by workers without penalty.

The government lacked sufficient mechanisms to ensure that laws prohibiting employer interference in unions and protecting workers from employer reprisals were adequately enforced. Fines ranging from 100 to 2,000 balboas (\$100 to \$2,000) can be imposed on employers found to be engaging in antiunion interference, with the fines doubled each time an employer is found to repeat the act of interference. MITRADEL reported that inadequate personnel resources, case backlogs, and incomplete or inaccurate information in applications delayed the processing of new union registrations within the required time frame. MITRADEL reported 16 new registrations from January to October. MITRADEL reported that the government would notify the employers and may follow up with court cases, but no additional information was available on the status of these efforts at year's end. During the year MITRADEL also rejoined the Fundacion del Trabajo (Labor Foundation), a tripartite organization that brings together organized labor, employers, and the government.

In addition to the court system, the Conciliation Board of MITRADEL has the authority to resolve certain labor disagreements, such as internal union disputes, enforcement of the minimum wage, and some dismissal issues. The law allows arbitration by mutual consent, by employee request, or at the request of MITRADEL in case of a collective dispute in a public service company and allows either party to appeal if arbitration is mandated during a collective dispute in a

public service company. The separate Tripartite Conciliation Board has sole competency for disputes related to domestic employees, some dismissal issues, and claims of less than 1,500 balboas (\$1,500). For public sector workers, the Board of Appeal and Conciliation in the Ministry of the Presidency hears and resolves complaints. Complaints not resolved by the board are referred to an arbitrage tribunal, which consists of representatives from the employer, the employee association, and a third member chosen by the first two. Tribunal decisions are final.

Although private sector unions widely exercised the right to organize and bargain collectively, antiunion discrimination, loss of employment, and discriminatory transfers occurred. Union leaders continued to express concerns about government actions, such as auditing union budgets, which they characterized as interference and intimidation. They also asserted that automatic union registration did not occur in practice and that in some cases the government improperly refused to recognize unions. Union leaders reported that the government harassed unions, including by making false accusations of corruption against labor leaders, creating roadblocks to prevent the organization of workers, and criminalizing social protest. For instance, representatives of the Confederation of Panamanian Workers alleged that MITRADEL had improperly refused to register an industry-wide union of Metrobus workers late in 2012 and that many workers were improperly dismissed after being wrongly blamed for the vandalism of buses during a wildcat strike.

Employers in the retail industry frequently hired temporary workers to circumvent legal requirements for permanent workers. In lower-skilled service jobs, employers often hired employees under three-month contracts for several years, sometimes sending such employees home for a month and later rehiring them. Employers also circumvented the law requiring two-week notice for discharges by dismissing some workers one week before a holiday. Employers frequently hired workers for one year and 11 months and subsequently laid them off to circumvent laws that make firing employees more difficult after two years of employment.

While in general labor leaders approved of the conciliation board, some lawyer groups criticized it as a route for circumventing the judiciary, leaving interpretation of labor laws to the discretion of persons who might lack expertise, and opening the labor dispute resolution system to political pressure.

## **b. Prohibition of Forced or Compulsory Labor**

The law prohibits all forms of forced labor of adults or children. The law establishes penalties of 15 to 20 years' imprisonment for forced labor involving movement (either cross-border or within the country) and six to 10 years' imprisonment for forced labor not involving movement.

During the year the government did not open any new investigations or prosecutions for forced labor.

There continued to be reports that some forced labor of adults occurred. There were anecdotal reports that Chinese citizens were forced to work in grocery stores and laundries in situations of debt bondage, as well as reports that Nicaraguan and Colombian women were subjected to domestic servitude.

Also see the Department of State's *Trafficking in Persons Report* at [www.state.gov/j/tip](http://www.state.gov/j/tip).

### **c. Prohibition of Child Labor and Minimum Age for Employment**

The law prohibits the employment of children under age 14, although children who have not completed primary school may not begin work until age 15. Exceptions to the minimum age requirements can be made for children 12 and older to perform light farm work if it does not interfere with their school hours. The law does not set a limit on the total number of hours that these children may work in agriculture or define what kinds of light work children may perform. The law prohibits 14- to 18-year-old children from engaging in potentially hazardous work and identifies such hazardous work to include work with electrical energy, explosives, or flammable, toxic, and radioactive substances; work underground and on railroads, airplanes, and boats; and work in nightclubs, bars, and casinos.

Youth under 16 may work no more than six hours per day or 36 hours per week, while those 16 and 17 may work no more than seven hours per day or 42 hours per week. Children under 18 may not work between 6 p.m. and 8 a.m.

MITRADEL generally enforced the law effectively in the formal sector, enforcing child labor provisions in response to complaints and ordering the termination of unauthorized employees, but not in the informal economy. During the year MITRADEL identified 1,546 children and adolescents performing child labor. By law violators can be fined up to 700 balboas (\$700) for a first-time violation. By year's end the ministry had received 42 formal reports of child labor law violations, resulting in 22 penalties levied against offenders. Employers who

endanger the physical or mental health of a child may face two to six years' imprisonment. The law includes punishment of up to 12 years' imprisonment for anyone who recruits children under 18 or uses them to participate actively in armed hostilities.

As part of MITRADEL's program for the prevention and eradication of child labor, the Committee for the Eradication of Child Labor and the Protection of the Adolescent Worker (CETIPPAT) continued to provide outreach and grant scholarships to child laborers throughout the country to guarantee their access to education through the Institute for Training and Development of Human Resources, providing 1,443 grants during the year. MIDES, CETIPPAT, and the NGO Casa Esperanza continued a program in the comarca of the Ngabe Bugle and the provinces of Santiago de Veraguas and La Chorrera that provided scholarships for working children so they could begin or return to primary school. The program also provided job training and literacy programs for their parents.

The National Office for Children, Youth, and Family implemented programs to identify children engaged in the worst forms of child labor to remove them from exploitative situations and provide them with services. MITRADEL offered training on the topic of child labor and lessons learned to various stakeholders.

According to a 2012 child labor survey by the government, approximately 50,400 children and adolescents (5.6 percent of the overall population in the five- to 17-year-old age group) were found working. Sixty-one percent of working children also attended school. Forty percent of working children and adolescents said they worked fewer than 15 hours per week, 35.5 percent worked between 15 and 34 hours, and 24.6 percent 35 hour or more.

Child labor violations occurred most frequently in rural areas in agriculture and fishing, especially during the harvest of melons, tomatoes, onions, coffee, and to a lesser extent, sugarcane. Children generally worked five to eight hours per day in these activities. Farm owners often paid according to the amount harvested, leading many laborers to bring their young children to the fields to help. The problem of child labor in agricultural areas fell most heavily on indigenous families, who often migrated from their isolated communities in search of paid work and whose frequent migrations interrupted schooling. Child labor also occurred in domestic work and other areas of the informal sector, including selling goods, shining shoes, washing cars, and assisting bus drivers.

According to Casa Esperanza, child labor continued in agricultural areas in the central provinces and was identified in new sectors in Panama City, Colon, and David. In Colon children scavenged in the ocean for metal and other items from boats to sell. In David children were found selling flowers and CDs and DVDs in the streets.

Also see the Department of Labor's *Findings on the Worst Forms of Child Labor* at [www.dol.gov/ilab/programs/ocft/tda](http://www.dol.gov/ilab/programs/ocft/tda).

#### **d. Acceptable Conditions of Work**

At year's end the minimum wage ranged from 1.22 to 2.36 balboas (\$1.22 to \$2.36) per hour, depending on the region and sector. Working 40 hours per week, 50 weeks a year, and earning at the minimum-wage median, a worker would earn between 432 and 490 balboas (\$432 and \$490) per month. The poverty line was considered to be 98 balboas (\$98) in rural areas and 131 balboas (\$131) in urban areas. Food and the use of housing facilities were considered part of the salary for some workers, such as domestic and agricultural workers. Salaries for domestic workers ranged from 175 to 200 balboas (\$175 to \$200) per month. The agricultural and construction sectors received the lowest and highest minimum wages, respectively.

The law establishes a standard workweek of 48 hours, provides for at least one 24-hour rest period weekly, limits the number of hours worked per week, provides for premium pay for overtime, and prohibits compulsory overtime. There is no annual limit on the total number of overtime hours allowed. If employees work more than three hours of overtime in one day or more than nine overtime hours in a week, excess overtime hours must be paid at an additional 75 percent over the normal wage. Workers have the right to 30 days' paid vacation for every 11 months of continuous work, including those who do not work full time. MITRADEL is responsible for setting health and safety standards. Standards set were generally current and appropriate for the main industries in the country. The labor code requires employers to provide a safe workplace environment, including the provision of protective clothing and equipment for workers.

MITRADEL generally enforced these standards in the formal sector. The inspection office was divided into two groups: the Panama City-based headquarters group and the regional group. Within the headquarters there were 41 labor inspectors, including 11 general labor inspectors, seven child labor inspectors, and 16 security inspectors (also referred to as safety officers) in the

construction industry. The construction industry paid the salaries of construction industry inspectors, although the inspectors remained MITRADEL employees. Across the country MITRADEL conducted 32,644 labor inspections of all types for the year. Allowable fines for violations were low. During the year, however, the government levied fines according to the number of workers affected, resulting in larger overall fines. During the year MITRADEL issued 1,831 fines.

Inspectors from MITRADEL and the occupational health section of the Social Security Administration reported that they conducted periodic inspections of hazardous employment sites. The law requires that the resident engineer and a MITRADEL construction industry inspector (also referred to as safety officers) remain on construction sites, establish fines for noncompliance, and identify a tripartite group composed of the Chamber of Construction, construction union SUNTRACS (the largest union of construction workers in the country), and MITRADEL to regulate adherence.

Most workers formally employed in urban areas earned the minimum wage or more. Approximately 40 percent of the working population worked in the large informal sector, and many earned well below the minimum wage, particularly in most rural areas, where unskilled laborers, including street vendors and those involved in forestry, fishing, and handicraft production, earned from three to six balboas (\$3.00 to \$6.00) per day without benefits. MITRADEL was less likely to enforce labor laws in most rural areas (see section 6, Indigenous People).

Some construction workers died due to accidents suffered on the job. Some construction workers and their employers were occasionally lax about conforming to basic safety measures, frequently due to their perception that it reduced productivity. Equipment was often outdated, broken, or lacking safety devices, due in large part to a fear that the replacement cost would be prohibitive.