

PANAMA 2017 HUMAN RIGHTS REPORT

EXECUTIVE SUMMARY

Panama is a multiparty constitutional democracy. In May 2014 voters chose Juan Carlos Varela Rodriguez as president in national elections that international and domestic observers considered generally free and fair. Varela assumed the presidency in July 2014.

Civilian authorities maintained effective control over the security forces.

The most significant human rights issues included an instance of excessive use of force by prison officials; widespread corruption, including in the judiciary; and lethal violence against women.

The Varela administration and the Public Ministry continued investigations into allegations of corruption against public officials.

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

a. Arbitrary Deprivation of Life and Other Unlawful or Politically Motivated Killings

There were no reports the government or its agents committed arbitrary or unlawful killings.

b. Disappearance

There were no reports of disappearances by or on behalf of government authorities.

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

The constitution prohibits such practices. In July media reported the government was investigating the possible use of excessive force after 14 civilian correctional officers used batons and tear gas to control inmates who refused to be transported. The Ombudsman's Office described the event as torture and said it was an uncommon use of force from correctional officers.

In August, four members of the UN Sub-Committee on the Prevention of Torture (SPT) visited for the first time after the country's 2011 ratification of the UN Optional Protocol to the Convention against Torture. After the visit SPT members publicly exhorted the government to implement the National Mechanism for the Prevention of Torture according to international standards. In response the government opened the application process to hire the first National Mechanism director, who was to be embedded in the Ombudsman's Office with an independent budget and staff.

Prison and Detention Center Conditions

Prison conditions remained harsh, due primarily to overcrowding, a shortage of prison guards, a lack of adequate medical services, and inadequate sanitary conditions. There were no private detention facilities.

Physical Conditions: As of August the prison system, with an intended capacity of 14,167 inmates, held 16,114 prisoners, down from approximately 17,000 prisoners in 2016. Pretrial detainees shared cells with convicted prisoners due to space constraints. Prison conditions for women were generally better than for men, but conditions for both populations remained poor, with overcrowded facilities, poor inmate security, poor medical care, and a lack of basic supplies for personal hygiene. Older facilities located in the provinces of Cocolé and Veraguas lacked potable water and adequate ventilation and lighting. Women inmates had access to more rehabilitation programs than male inmates.

In adult prisons inmates complained of limited time outside cells and limited access for family members. Authorities acknowledged that staff shortages limited exercise time for inmates on certain days. Juvenile pretrial and custodial detention centers also suffered from a lack of prison officials.

One prison, Punta Coco, falls under the control of the Ministry of Public Security rather than the Ministry of Government's National Directorate of the Penitentiary System (DGSP). In March the Inter-American Commission on Human Rights (IACHR) reiterated its request to close Punta Coco due to the lack of appropriate medical attention for inmates. Lawyers and relatives of the inmates had to travel 66 miles by boat to reach the island. In August authorities transferred 12 inmates temporarily from the Punta Coco facility to a Panama City prison while they upgraded it to international prison standards. The government did not have plans to close down the facility permanently.

During the year the Ministry of Health conducted vaccination campaigns in most prisons. Inmates received vaccines for tetanus, diphtheria, influenza, measles, rubella, and chickenpox. Hypertension, diabetes, dermatitis, HIV/AIDS, tuberculosis, and respiratory illnesses continued to be the most common diseases among the prison population.

Prison medical care overall was inadequate due to the lack of personnel, transportation, and medical resources. As of August there were only 55 medical staff (including physicians, dentists, nurses, and technical staff) assigned to all prisons nationwide. Sixty percent of complaints received by the Ombudsman's Office from January through August related to the lack of access to medical attention and medications. Officials complained that juvenile detention centers lacked medicines even after the Ministry of Government disbursed large sums to the Ministry of Health for their procurement. Authorities permitted relatives of inmates to bring medicine, although some relatives paid bribes to prison personnel, including Panama National Police (PNP) members, to bypass the required clearances. Authorities transferred patients with serious illnesses to public clinics, but there were difficulties arranging inmate transportation. Because the DGSP did not have ambulances, inmates were transported in police vehicles or in emergency services ambulances when available.

As of August, 10 male inmates had died in custody: four of heart attacks, two of HIV, one from cancer, one from tuberculosis, and one from a stroke. One inmate died in prison because of inmate-on-inmate violence. No information about medical care in these cases was available.

Administration: Prisoners could submit complaints to judicial authorities without censorship and request investigation of credible allegations of inhuman conditions, but authorities did not make the results of such investigations public. The Ombudsman's Office negotiated and petitioned on behalf of prisoners and received complaints about prison conditions. The Ombudsman's Office continued to conduct weekly prison visits to prisons in Panama City and Colon and twice a year to prisons elsewhere in the country. The government generally did not monitor its meetings with prisoners.

There were 1,264 prison guards nationwide, including 207 new guards hired during the year. DGSP officials estimated, however, the system required 1,400 guards to staff the prisons adequately. In April all monthly salaries for correctional officers increased from \$460 and \$690 to \$800 (one Panamanian balboa is equal in value to one U.S. dollar).

Independent Monitoring: The government permitted prison monitoring by independent nongovernmental observers. The Roman Catholic nongovernmental organization (NGO) Justice and Peace visited a prison once between January and July. The NGO reported overcrowding and corrupt behavior by prison officials, which included smuggled weapons, cigarettes, and cell phones for the inmates. Human rights NGOs wanting access to prisons during visiting hours must send a written request to the DGSP 15 days in advance.

Improvements: After the September 2016 implementation of the new accusatorial penal system and sentencing reduction arrangements, the adult penitentiary population decreased during the year from 17,000 to approximately 16,000 prisoners. As of August, 247 inmates were granted reduced sentences and 41 were granted conditional releases. For largely similar reasons, the juvenile prison population decreased by almost 50 percent, compared with the previous year.

In September the DGSP began implementing Law 42, which provides a career path for civilian prison officials, technicians, and administrative personnel. The DGSP also opened a new Administrative Career Directorate and inaugurated new facilities for its academy for correctional officers in the central province of Cocle. The La Joyita prison's 60-bed clinic was remodeled and better equipped, but it operated with limited hours.

d. Arbitrary Arrest or Detention

The law prohibits arbitrary arrest and detention and provides for the right of any person to challenge the lawfulness of his/her arrest or detention in court, and the government generally observed these prohibitions.

Role of the Police and Security Apparatus

Panama has no military forces. The PNP is principally responsible for internal law enforcement and public order. Civilian authorities in the Ministry of Public Security and the Ministry of the Presidency maintained effective control over all police, investigative, border, air, maritime, and migration services in the country. The government has mechanisms to investigate and punish abuse and corruption, but information on the process and results of investigations were rarely made public. Due to the lack of prison guards, the PNP was sometimes responsible for security both outside and inside of the prisons. Its leadership expressed concern over insufficient training and equipment.

Arrest Procedures and Treatment of Detainees

The law requires arresting officers to inform detainees immediately of the reasons for arrest or detention and of the right to immediate legal counsel. Detainees gained prompt access to legal counsel and family members, and the government provided indigent defendants with a lawyer.

The country completed its transition to an accusatory justice system in 2016, but cases opened prior to September 2, 2016, continued to be processed under the previous inquisitorial system, known for its inefficiencies and bureaucratic hurdles.

Under the accusatorial system, bail exists but is rarely granted. Under the inquisitorial system, a functioning bail procedure existed for a limited number of crimes but was largely unused. Most bail proceedings were at the discretion of the Prosecutor's Office and could not be independently initiated by detainees or their legal counsel.

The law prohibits police from detaining adult suspects for more than 48 hours but allows authorities to detain minor suspects for 72 hours. In the accusatorial system, arrests and detention decisions were made on a probable cause basis.

Pretrial Detention: Under the inquisitorial system, the government regularly imprisoned inmates for more than a year before a pretrial hearing, and in some cases pretrial detention exceeded the minimum sentence for the alleged crime. According to the director of the DGSP, 54 percent of inmates were pretrial detainees as of September, compared with 66 percent in 2016. Some criticized the judiciary for applying unequal pretrial restrictive measures for individuals facing substantially similar charges. Prosecutors also reported internal pressure from the Public Ministry to prevent release of those accused of crimes pending trial. In an attempt to clear the backlog of thousands of inquisitorial system cases, in June the Supreme Court announced a decision allowing active inquisitorial system cases that had not started investigation by January 1, 2018, to be processed under the accusatory system.

e. Denial of Fair Public Trial

While the law provides for an independent judiciary, the judicial system was inefficient and susceptible to corruption as well as internal and outside influence, and it faced allegations of manipulation by the executive branch.

Courts proceedings for cases in process under the inquisitorial system were not publicly available, while accusatory system cases were. As a result nonparties to the inquisitorial case proceedings did not have access to these proceedings until a verdict was reached. Under the inquisitorial system, judges could decide to hold private hearings and did so in high-profile cases. Consequently the judiciary sometimes faced accusations, particularly in high-profile cases, of procedural irregularities. Since most of these cases had not reached conclusion, however, the records remained under seal. Interested parties generally did not face gag orders, but because of this mechanism, it was difficult to verify facts.

Trial Procedures

The law provides for the right to a fair and public trial, and the judiciary generally enforced this right. The law provides that all citizens charged with crimes enjoy the right to a presumption of innocence. They have the right to be informed promptly and in detail of the charges (with free interpretation as necessary for non-Spanish speaking inmates), to a trial without undue delay, to have counsel of their choice, to adequate time and facilities to prepare a defense, to refrain from incriminating themselves or close relatives, and to be tried only once for a given offense. The accused may be present with counsel during the investigative phase of proceedings.

During the year all new criminal cases were tried under the accusatory system. Under the accusatory system, trials were open to the public. Judges may order the presence of pretrial detainees for providing or expanding upon statements or for confronting witnesses. Trials are conducted based on 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 have a right of appeal. The judiciary generally enforced these rights.

The judiciary complained that many hearings were canceled due to inmates' failure to appear, especially those involving inmates processed under the old inquisitorial system. This was usually for administrative shortcomings, such as a dearth of PNP agents to transfer the inmates to the courts. Authorities were also aware that available correctional officers and PNP agents focused more on inmates tried under the new accusatory system because the law fines police and correctional officers 100 balboas for failing to deliver an inmate to a hearing.

The judiciary continued to promote videoconference hearings. Judges were increasingly receptive to using this tool, and during the year the government continued to add video conference and hearing rooms to prison facilities.

Judicial response times generally decreased under the new accusatory system. As of June, 104,626 cases were tried under the accusatorial system. During the same period, judicial response time nationwide decreased from an average of 296 days under the inquisitorial system to 42 days under the accusatory system.

Political Prisoners and Detainees

There were no credible reports of political prisoners or detainees. Some individuals detained under corruption charges claimed their charges were politically motivated because they had served in former president Ricardo Martinelli's administration.

Civil Judicial Procedures and Remedies

Citizens have access to the courts to bring lawsuits seeking damages for, or cessation of, human rights violations, although most do not pursue such lawsuits due to the length of the process. There are administrative and judicial remedies for alleged wrongs, and authorities often granted them to citizens who followed through with the process. The court can order civil remedies, including fair compensation to the individual injured. Individuals or organizations may initiate cases involving violations of an individual's human rights by submitting petitions to the IACHR.

f. Arbitrary or Unlawful Interference with Privacy, Family, Home, or Correspondence

The law prohibits arbitrary interference with privacy, family, home, or correspondence, and the government generally respected these prohibitions. The law also sets forth requirements for conducting wiretap surveillance. It denies prosecutors authority to order wiretaps on their own and requires judicial oversight.

The investigation of the 2015 illegal wiretapping case against former president Martinelli, as well as against Alejandro Garuz and Gustavo Perez, two former intelligence directors in his administration, continued during the year.

Section 2. Respect for Civil Liberties, Including:

a. Freedom of Expression, Including for the Press

The constitution provides for freedom of expression, including for the press. Some journalists complained of harassment, intimidation, and threats when covering stories of impropriety, corruption, or other crimes involving members of the Ministry of Public Security or members of the public security forces.

Press and Media Freedom: During the year media outlets owned by political and business leaders facing legal proceedings claimed those proceedings limited their freedoms of expression. Media outlets continued to publish and broadcast freely throughout the year. There were anecdotal reports of the government discouraging journalists from publishing stories critical of the administration.

Television channels owners and radio directors linked to opposition parties claimed to be victims of government retaliation for their political views through the opening of corruption investigation against them. In 2016 police arrested NexTV president and former president of the board of directors of the government-run national savings bank Caja de Ahorros, Riccardo Francolini, and former Caja de Ahorros board member and current NexTV anchor and news director Fernando Correa on embezzlement charges unrelated to their media activities.

Violence and Harassment: In 2016 the Ministry of Government submitted a bill that would fine media outlets that published material promoting violence against women. Several journalist unions condemned the bill as an attempt to censor and regulate media content. Pressure from civil society stalled the National Assembly's approval of the bill. In March the National Assembly approved a revised version of the bill, which transfers responsibility for the fines from the Ministry of Government to the judicial branch.

In April the National Assembly passed a law regulating sexual content in classified advertisements of newspapers, forbidding the publication of sex-work advertisements, in an effort to prevent sex trafficking. Some critics viewed it as a form of censorship.

New media journalists often faced challenges similar to their traditional media counterparts. For example, ClaraMente (a platform launched from Facebook, with a widespread audience) reporters Mauricio Valenzuela and Hugo German

reportedly received death threats over the telephone regarding their publications critical of anti-immigration right-wing groups and religious organizations.

Internet Freedom

The government did not restrict or disrupt access to the internet or censor online content, and there were no credible reports that the government monitored private online communications without appropriate legal authority.

The government provided free, wireless internet in public spaces that, when working, reached 86 percent of the population. According to government statistics, two million persons had fixed internet access, representing 50 percent of the population.

Academic Freedom and Cultural Events

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

b. Freedoms of Peaceful Assembly and Association

The law provides for the freedoms of peaceful assembly and association, and the government generally respected these rights. The government provided permits for organized groups to conduct peaceful marches. Nevertheless, police at times used force to disperse demonstrators, especially when highways or streets were blocked. The law provides for six to 24 months' imprisonment for anyone who, through use of violence, impedes the transit of vehicles on public roads or causes damage to public or private property.

c. Freedom of Religion

See the Department of State's *International Religious Freedom Report* at www.state.gov/religiousfreedomreport/.

d. Freedom of Movement

The law provides for freedom of internal movement, foreign travel, emigration, and repatriation, and the government generally respected these rights. 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, asylum seekers, and other persons of concern.

Protection of Refugees

Access to Asylum: The law provides for the granting of asylum or refugee status, and the government has established a system for providing protection to refugees. The process of obtaining refugee status generally took three to four years, during which asylum seekers did not have the right to work and could not access basic services.

As of July the National Office for the Attention of Refugees (ONPAR) received 2,613 refugee applications, compared with 2,619 in 2016. In 2016 ONPAR reviewed 784 cases for admission and admitted 10 into the asylum process. Approximately 77 percent of the applicants were from Venezuela, and the remaining 23 percent were Colombians, Salvadorans, and Nicaraguans.

In August, following a separate process not involving ONPAR, the country granted asylum to three Venezuelan judges and a consul of the Venezuelan embassy. In September the government approved the asylum request of a Venezuelan Supreme Court alternate justice.

As of September the National Border Protection Force had apprehended 4,833 irregular migrants in the Darien region. Apprehensions were down from 17,306 in 2016 and 31,749 in 2015. Cuban nationals accounted for 716 of the migrants, compared with 5,083 in 2016. In March the government announced it would deport hundreds of Cuban migrants, and in August the government stated that 76 Cuban migrants accepted the offer and would receive 1,600 balboas and a Panamanian tourist visa once back in Cuba. In September authorities began arranging repatriation flights for Cuban migrants. The government continued to manage camps in the Darien region to provide food, shelter, and medical assistance to the migrants. The government reported continued migrations of persons from South Asia and Africa.

According to UNHCR and its NGO implementing partners, thousands of persons living in the country might be in need of international protection. These included persons in the refugee process, persons denied refugee status, and persons who did not apply for refugee status due to lack of knowledge or fear of deportation.

Employment: Refugees recognized by authorities have the right to work, but recognized refugees complained that they faced discriminatory hiring practices. In an effort to prevent this discriminatory practice, ONPAR removed the word “refugee” from recognized refugees’ identification cards.

All foreigners seeking a work contract must initiate the process through a lawyer and pay a government fee of 700 balboas to obtain a work permit that expires upon termination of the labor contract or after one year, whichever comes first.

Access to Basic Services: Education authorities sometimes denied refugees access to education, while refusing to issue diplomas to others if they could not present school records from their country of origin. The Ministry of Education continued to enforce the government’s 2015 decree requiring schools to accept students in the asylum process at the grade level commensurate with the applicants’ prior studies.

Durable Solutions: The law allows persons legally recognized as refugees or with asylum status who have lived in the country for more than three years to seek permanent residency.

Stateless Persons

The government worked with Colombia to recognize approximately 200 stateless persons on the border. In July the governments of Panama and Costa Rica, with the cooperation of UNHCR, set up a mobile registry office on the border with Costa Rica to register indigenous Ngabe and Bugle seasonal workers who travel between Costa Rica and Panama and who had never registered their births in either country.

Section 3. Freedom to Participate in the Political Process

The law provides citizens the ability to choose their government in free and fair periodic elections held by secret ballot based on universal and equal suffrage. Naturalized citizens may not hold specified categories of elective office, such as the presidency.

Elections and Political Participation

Recent Elections: In 2014 voters chose Juan Carlos Varela Rodriguez as president in national elections independent observers considered generally free and fair.

Elected at the same time were 71 national legislators, 77 mayors, 648 local representatives, and seven council members.

Political Parties and Political Participation: The law requires new political parties to meet strict membership and organizational standards to gain official recognition and participate in national campaigns. Electoral reforms passed in May, however, require that political parties obtain the equivalent of 2 percent of the total votes cast to maintain legal standing, a 2 percent reduction from previous requirements. The Revolutionary Democratic Party, Panamenista Party, Democratic Change Party, and Popular Party all complied with the requirement. During the year new political groups registered with the Electoral Tribunal, including the Broad Front for Democracy, the Alliance Party, the Independent Social Alternative Party and Creemos. The Electoral Tribunal provided oversight of internal party elections. On October 15, the Democratic Change Party held internal elections.

Participation of Women and Minorities: No laws limit participation of women and/or members of minorities in the political process, and they did participate.

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. Corruption remained a problem in the executive, judicial, and legislative branches as well as in the security forces. During the year, however, the government took steps to address corrupt practices among government employees and security forces. Anticorruption mechanisms such as asset forfeiture, whistleblower and witness protection, plea bargaining, and professional conflict-of-interest rules exist.

Corruption: During the year there were several credible allegations of corruption against current or former members of the government. More than a dozen high-ranking officials under the previous administration faced charges of corruption.

Investigations under the inquisitorial system continued of Panama Canal Authority board member Lourdes Castillo and her business partners for alleged payment of bribes in 2014 in exchange for a contract with the Panama Maritime Authority. The administration filed a complaint for alleged overpayment of 12 million balboas made to Castillo and her partners' corporations.

Corruption and a lack of accountability among police continued to be a problem, although the government took steps to address violations. Agents were dismissed

on corruption grounds and were under investigation by the Public Ministry. In January officials dismantled a human trafficking organization and arrested two National Migration Service inspectors suspected of receiving bribes.

In September, Eudocio “Pany” Perez, mayor of La Villa de Los Santos, was arrested on charges of corruption and money laundering for drug trafficking organizations. His assistant, a PNP major, a PNP agent, and seven other individuals were also detained in an operation in which 2.1 tons of illicit substances, 30 cars, and approximately one million balboas were seized.

In 2016 the former Agriculture Institute director general under the current administration, Edwin Cardenas, was detained under charges of mismanagement of more than six million balboas of public funds. The fourth anticorruption prosecutor charged Cardenas for wrongdoings from July 2014 through April 2015. Cardenas was released on bail in February. The case continued under the inquisitorial system.

In August the Second Superior Court ordered the separation from office of the mayor of Chagres in Colon Province on charges of embezzlement and document forgery. The 2012 case was under the inquisitorial system.

Former minister of the presidency Demetrio “Jimmy” Papadimitriou and former minister of public works Jaime Ford, both in the Martinelli administration, were detained in September for alleged links to bribes paid by Brazilian multinational construction company Odebrecht. Both faced money-laundering charges. The cases were under the inquisitorial system.

After two years in a private hospital undergoing medical treatment for an undisclosed illness, former internal revenue director under the Martinelli administration, Luis Cucalon, was taken to prison. Cucalon faced embezzlement charges for favoring a company with a direct contract for tax collection. The case was being processed under the inquisitorial system and saw several delays. Cucalon claimed medical problems and changed lawyers several times to keep moving hearing dates. After four postponements, the judge called for a closed-door hearing in October. Only prosecutors and defense lawyers, in addition to Cucalon, were able to attend. The hearing was closed to media since judges have discretion on whether to allow media presence or not under the inquisitorial system.

Financial Disclosure: The law requires certain executive and judiciary officials to submit a financial disclosure statement to the Comptroller General's Office. The information is not made public unless the official grants permission for access to the public.

Section 5. Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Abuses 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. The Ombudsman's Office received government cooperation and operated without government or party interference; it referred cases to the proper investigating authorities.

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

Women

Rape and Domestic Violence: The law criminalizes rape of men or women, including spousal rape, with prison terms of five to 10 years. The government generally implemented criminal aspects of the law better than protection aspects. Rapes constituted the majority of sexual crimes investigated by the PNP and its Directorate of Judicial Investigation.

The law against gender violence stipulates stiff penalties for harassment and both physical and emotional abuse and provides for prison terms of up to 30 years for murder. Officials and civil society organizations agreed that domestic violence continued to be a serious crime.

As of September the Attorney General's Office reported 13 killings of women in domestic violence-related crimes.

The Ombudsman's Office continued its program "Mujer Conoce tus Derechos" (Woman, Know Your Rights), which included a wide distribution of flyers.

There was a lack of shelters for victims of domestic abuse. In June the government, through the National Institute for Women's Affairs, opened a shelter in Puerto Escondido, Colon, for victims of domestic abuse and offered social, psychological, medical, and legal services.

Sexual Harassment: The law prohibits sexual harassment in cases of employer-employee relations in the public and private sectors and in teacher-student relations. Violators face a maximum three-year prison sentence. The extent of the problem was difficult to determine, because convictions for sexual harassment were rare, pre-employment sexual harassment was not actionable, and there was a lack of formal reports.

Coercion in Population Control: There were no reports of coerced abortion, involuntary sterilization, or other coercive population control methods. Estimates on maternal mortality and contraceptive prevalence are available at: www.who.int/reproductivehealth/publications/monitoring/maternal-mortality-2015/en/.

Discrimination: The law prohibits discrimination based on gender, and women enjoyed the same legal status and rights as men. The law recognizes joint property in marriages. The law mandates equal pay for men and women in equivalent jobs. The Ministry of Social Development 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. Although an illegal hiring practice, some employers continued to request pregnancy tests.

Children

Birth Registration: The law provides citizenship for all persons born in the country, but parents of children born in remote areas sometimes had difficulty obtaining birth registration certificates. The National Secretariat for Children, Adolescents, and the Family estimated the registration level of births at 92 percent.

Child Abuse: The Ministry of Social Development maintained a free hotline for children and adults to report child abuse and advertised it widely. 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.

Early and Forced Marriage: The minimum legal age for marriage is 18. The government prohibits early marriage even with parental permission.

Sexual Exploitation of Children: Officials continued to prosecute cases of sexual abuse of children in urban and rural areas, as well as within indigenous communities. Officials believed that commercial sexual exploitation of children occurred, including in tourist areas in Panama City and in beach communities, although they did not keep separate statistics.

International Child Abductions: The country is a party to the 1980 Hague Convention on the Civil Aspects of International Child Abduction. See the Department of State's *Annual Report on International Child Abduction* at travel.state.gov/content/childabduction/en/legal/compliance.html.

Anti-Semitism

Jewish community leaders estimated there were 15,000 Jews in the country. There were no known reports of anti-Semitic acts.

Trafficking in Persons

See the Department of State's *Trafficking in Persons Report* at www.state.gov/j/tip/rls/tiprpt/.

Persons with Disabilities

The law prohibits discrimination based on physical, sensory, intellectual, or mental disabilities; however, 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. Despite provisions of the law, persons with disabilities experienced discrimination in a number of these areas.

Panama City's bus fleet was not wheelchair accessible. Metro elevators were frequently locked and could not be used. A lack of ramps further limited access to the stations. Most businesses had wheelchair ramps and accessible parking spaces as required by law, but in many cases, they did not meet the government's size specifications.

Some public schools admitted children with mental and physical disabilities, but most did not have adequate facilities for children with disabilities. Few private schools admitted children with disabilities. The high cost of hiring professional tutors to accompany children to private schools--a requirement of all private schools--precluded many students with disabilities from attending.

The government-sponsored Guardian Angel program continued to provide a monthly subsidy of 80 balboas for children with significant physical disabilities. To qualify, the parents or guardian of a child must be living in poverty and must submit a medical certification specifying the degree of the disability and the child's dependency on another person. Authorities conducted home visits to ensure the beneficiaries' guardians used the funds for the intended purpose.

In June and July, the Ministry of Labor hosted job fairs for persons with disabilities for positions in the logistics field. Twenty persons were reported hired.

In August experts with the UN Convention on the Rights of Persons with Disabilities visited the country and found that the classification of disabilities by medical authorities did not take into consideration the barriers faced by the individuals with each disability.

National/Racial/Ethnic Minorities

Minority groups were generally integrated into mainstream society. Prejudice was directed, however, at recent immigrants, the Afro-Panamanian community, and indigenous Panamanians. 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 reluctant to integrate.

The Afro-Panamanian community continued to be underrepresented in positions of political and economic power. Areas where they lived lagged in terms of government services and social investment. The government created the National Secretariat for the Development of Afro-Panamanians, focused on the socioeconomic advancement of this community. The secretariat was designed to work with the national census to ensure an accurate count of Afro-descendant Panamanians.

The law prohibits discrimination in access to public accommodations such as restaurants, stores, and other privately owned establishments; few complaints were

filed. The Ombudsman's Office intervened in several cases before students with Rastafarian braids were permitted entry into public school classrooms.

There were reports of racial discrimination against various ethnic groups in the workplace. Lighter-skinned persons continued to be overrepresented in management positions and jobs that required dealing with the public, such as bank tellers and receptionists.

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, they continued to be marginalized. Traditional community leaders governed legally designated semiautonomous areas (called comarcas) for five of the country's seven indigenous groups. The government also unofficially recognized eight other traditional indigenous government authorities. Government institutions recognize that these eight regions have traditionally been and still are organized indigenous settlements and territories not included when the original comarcas were created. Government officers still meet with traditional organized authorities from the community and many have requested recognition of their land via collective titles.

In August the Naso community was granted collective title to 423 acres of land in Bocas del Toro Province. Approximately 30 indigenous communities await grants for collective land titles.

The Ngabe and Bugle continued to oppose the Barro Blanco dam project, which was nearing completion. The Ngabe-Bugle and the government continued to negotiate details of the dam's operation.

Although the country's law is the ultimate authority in indigenous comarcas, many indigenous persons misunderstood their rights and, due to their inadequate command of the Spanish language, failed to use available legal channels. In response the government with NGO support conducted information sessions on the accusatory justice system in indigenous comarcas. The government also translated disability rights legislation into indigenous languages.

Societal and employment discrimination against indigenous persons was widespread. In September a Ngabe youth leader alleged that two local celebrities used racial slurs and discriminatory rhetoric to denigrate him and the Ngabes. The youth leader filed a formal complaint at the Public Ministry. Employers frequently denied indigenous workers basic rights provided by law, such as a minimum wage, social security benefits, termination pay, and job security. Laborers on the country's agricultural plantations (the majority of whom were indigenous persons) continued to work in overcrowded and unsanitary conditions. The Ministry of Labor conducted limited oversight of working conditions in remote areas.

Education continued to be deficient in the comarcas, especially beyond the primary grades. There were not enough teachers in these remote and inaccessible areas, with many multigrade schools often poorly constructed and lacking running water. In June, two teachers died in an accident on the road to their schools in the Ngabe comarca. This sparked a 60-day strike in 43 of the schools in the comarca as teachers demanded better work conditions, including safety bonuses, better life insurance, and improved roads. Access to health care was a significant problem in the indigenous comarcas, despite government investment in more health infrastructure as well as staff. This was reflected in high rates of maternal and infant mortality and malnutrition. The government continued to execute the Indigenous Development Plan jointly developed with indigenous leaders in 2013.

Acts of Violence, Discrimination, and Other Abuses Based on Sexual Orientation and Gender Identity

The law does not prohibit discrimination based on sexual orientation. There was societal discrimination based on sexual orientation and gender identity, which often led to denial of employment opportunities.

The PNP's internal regulations describe homosexual conduct by its employees as against policy and potentially grounds for dismissal. Harassment of lesbian, gay, bisexual, transgender, and intersex (LGBTI) persons by security forces was a major complaint of LGBTI rights organizations.

On July 1, LGBTI rights advocates organized without impediment the 13th annual pride parade. For the first time, the president's spouse participated and was a flag bearer during the parade. For the third year in a row, the Panama City mayor and vice mayor were joined by members of the diplomatic corps.

HIV and AIDS Social Stigma

The law prohibits discrimination against persons with HIV/AIDS in employment and education. Discrimination continued to be common due to ignorance of the law and a lack of mechanisms for ensuring compliance. LGBTI individuals reported mistreatment by health-care workers, including unnecessary quarantines.

The 2015 government's National Network for the Continued Integral Attention of Persons with HIV/AIDS continued during the year. The Ministry of Social Development collaborated with the NGO PROBIDSIDA to conduct HIV/AIDS outreach to students in public junior and high schools. During the year PROBIDSIDA also worked with the Ministry of Public Security "Barrios Seguros" program to provide HIV/AIDS training and free testing services to at-risk youth from vulnerable communities. Youth who tested positive received medical treatment.

Section 7. Worker Rights

a. Freedom of Association and the Right to Collective Bargaining

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 can bargain collectively on behalf of members. In August the Ministry of Labor submitted to the National Assembly a draft law to allow public servants to form unions and bargain collectively.

The law provides for the right of private-sector workers to strike. The Administrative Career Law grants public-sector employees the same right when the strike has been deemed legal and when a minimum percentage of workers cover essential positions, as set out in the law. The right to strike does not apply in areas deemed vital to public welfare and security, including police. 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. It requires reinstatement of workers terminated for union activity.

The law places several restrictions on these rights, including requiring Panamanian citizenship to serve on a trade union's 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 as too large for workers wanting to form a union within a company; domestic unions, as well as the government and private sector, reiterated their support for keeping the figure at 40 individuals.

Forty 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 there may not be more than one association in a public-sector institution and permits no more than one chapter per province.

In the private sector, the labor code provides that if the government does not respond to a registration application within 15 days, the union automatically gains legal recognition. In the public sector, unions gain legal recognition automatically if the General Directorate for Administrative Public Sector Careers does not respond to registration applications within 30 days.

A majority of employees must support a strike, which must be related to the 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, at least 20 to 30 percent of the workforce must continue to provide minimum services, particularly public services as defined by the law, such as transportation, sanitation, mail delivery, hospital care, telecommunications, and public availability of essential foodstuffs.

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. FENASEP leaders noted that collective bargaining claims were heard and recognized, but they reported a lack of changes afterwards, particularly regarding firings without cause. FENASEP discussed structural changes with President Varela to promote equity and provide adequate treatment of the public sector as a sector with established rights like that of unionized groups. During the year FENASEP focused on the lack of job stability, the lack of a policy for salary beyond the minimum wage, salary gap and equal pay for men and women, and the lack of indemnity pay for unjustified firings.

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 negotiations with unionized workers. The labor ministry'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 workers be able to choose unions freely, without penalty.

Since the beginning of the Varela administration in 2014, the government approved more than 20 applications it received for union formations and denied two based on evidence of company owners' influence.

In addition to the court system, the Conciliation Board of the labor ministry 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, at the request of the employee or the ministry in the case of a collective dispute in a public-service company. It allows either party to appeal if arbitration is mandated during a collective dispute in a public-service company. The separate Labor Foundation's Tripartite Conciliation Board has sole competency for disputes related to domestic employees, some dismissal issues, and claims of less than 1,500 balboas.

For public-sector workers, the Board of Appeal and Conciliation in the Ministry of the Presidency hears and resolves complaints. The board refers complaints it cannot resolve to an arbitral tribunal, which consists of representatives from the employer, the workers' association, and a third member chosen by the first two. Tribunal decisions are final.

The government and employers generally respected freedom of association and the right to collective bargaining; however, the inspections and notifications departments lacked funding and inspectors to enforce labor laws adequately. Employers often hired employees under short-term contracts to avoid paying benefits that accrue to long-term employees. Employers in the maritime sector

also commonly hired workers continuously on short-term contracts but did not convert them to permanent employees as required by law. The law states that employers have the right to dismiss any employee without justifiable cause before the two-year tenure term. As a result 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. This practice is illegal if the same employee is rehired as a temporary worker after being laid off, although employees rarely reported the practice.

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.

While prostitution is legal, according to media reports, forced labor continued to be a problem in the commercial sex industry, often due to disputes between women and their employers over wage amounts agreed in oral contracts.

Also, see the Department of State's *Trafficking in Persons Report* at www.state.gov/j/tip/rls/tiprpt/.

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. The family code permits children ages 12 to 14 to perform domestic and agricultural work with regard to schedule, salary, contract, and type. The labor code allows children ages 12 to 15 to perform light work in agriculture if the work is outside regular school hours. It also allows children over the age of 12 to perform light domestic work and says employers must ensure the child attends school through primary school. The law does not limit the total number of hours these children may work nor define the light work children may perform. The law prohibits 14- to 18-year-old children from engaging in potentially hazardous work such as 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.

Youths under age 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.

The Ministry of Labor generally enforced the law effectively in the formal sector, enforcing child labor provisions in response to complaints and ordering the termination of unauthorized employees. It did not do so in the informal economy. By law violators can be fined up to 700 balboas for a first-time violation. 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 age 18 or uses them to participate actively in armed hostilities.

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 to provide them with services. The Ministry of Labor offered training on the topic of child labor and lessons learned to various stakeholders.

Also, see the Department of Labor's *Findings on the Worst Forms of Child Labor* at www.dol.gov/ilab/reports/child-labor/findings/.

d. Discrimination with Respect to Employment and Occupation

Labor laws and regulations prohibit discrimination regarding race, gender, religion, political opinion, citizenship, disability, social status, HIV status and other communicable diseases, but they do not do so on the basis of sexual orientation, and/or gender identity. In October the Ministry of Labor announced the adoption of the UN Development Program's Gender Equality certification program in the public and private sectors to promote gender equality in the workplace.

Discrimination in employment and occupation occurred with respect to race, sex, gender, disability, sexual orientation and/or gender identity, and HIV-positive status (see section 6). Discrimination against migrant workers also occurred (see section 6).

e. Acceptable Conditions of Work

The minimum hourly wage for private-sector employees does meet the monthly poverty line. Public servants' monthly minimum wage does meet the monthly

poverty line. Food and the use of housing facilities were considered part of the salary for some workers, such as domestic and agricultural workers. Minimum monthly salaries for domestic workers ranged from 225 balboas to 250 balboas. The agricultural sector and the marine and aviation 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 above 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. The Ministry of Labor 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.

The Ministry of Labor generally enforced these standards in the formal sector. The inspection office comprises two groups: the Panama City-based headquarters group and the regional group. As of November within the headquarters there were 34 inspectors reported, including nine general labor inspectors, four child labor inspectors, and 12 safety inspectors in the construction industry. The construction industry paid the salaries of construction industry inspectors, although the inspectors remained ministry employees. The regional branches had 55 inspectors. As of September the Ministry of Labor had conducted labor inspections nationwide. Allowable fines for violations were low and generally insufficient to deter violations. During the year, however, the government levied fines according to the number of workers affected, resulting in larger overall fines. The ministry issued fines for migration violations, for safety and security violations, for general labor issues violations, and for violations related to child labor.

Reports of violations relating to hours of work existed, especially in the maritime sector, where unions reported shifts of 14 to 24 hours. These long shifts reportedly resulted in fatigue-based occupational safety and health risks. Reports also indicated that neither the Maritime Authority nor the labor ministry conducted inspections regarding working conditions in the maritime sector. Canal Zone unions and workers experienced difficulties accessing the justice system to adjudicate complaints due to delays and other deficiencies of the Labor Relations

Board, which is the court of first instance on labor matters in the Canal Zone. Reports also indicated violations relating to hours of work for coffee harvest workers, who often lacked formal contracts and were vulnerable to coercion from the employer.

Inspectors from the Ministry of Labor and the occupational health section of the Social Security Administration reported conducting periodic inspections of hazardous employment sites. The law requires the resident engineer and a ministry construction industry inspector to remain on construction sites, establish fines for noncompliance, and identify a tripartite group composed of the Chamber of Construction, SUNTRACS (the largest union of construction workers in the country), and the ministry 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 informal sector, and many earned well below the minimum wage. In most rural areas, unskilled laborers, including street vendors and those involved in forestry, fishing, and handicraft production, earned three to six balboas per day without benefits. The Ministry of Labor was less likely to enforce labor laws in most rural areas (see section 6, Indigenous People).

Some construction workers and their employers were occasionally lax about 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.

Workers could not remove themselves from situations that endangered health or safety without jeopardy to their employment, and authorities did not effectively protect workers in this situation.