

ACCESSION OF PANAMA

Communication from Panama

Addendum

The Republic of Panama submits the following addendum to the notification of industrial subsidies, for consideration by the Members of the WTO.

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**Notification of Industrial Subsidies**

**1. Add the following text:**

In the section on Export Promotion Zones, subheading: **Background and authority**, a second paragraph should be inserted with the following wording:

There are no minimum export requirements for setting up a company in the export promotion zones, nor is entitlement to the benefits granted by law subject to requirements of domestic content in production or service provision.

**2. Add the following information:**

The attached table, "Tax Exemptions Granted to Industry, Years: 1991-1993" should be added to the notification:

**Tax Exemptions Granted to Industry**  
**Years: 1991-1993**

(Thousands of dollars)

Type	Years		
	1991	1992	1993
Exemption from import tax	115,931.0	133,308.0	124,123.0
Exemption from ITBM on exports	405.7	869.1	1,081.9
Discount on the electricity rate <sup>1</sup>	n/a	1,040.4	6,019.7
Tax Credit Certificates (CATs)	3,296.9	2,738.3	3,315.6
Exemption from income tax	3,307.2	8,692.4	9,861.6

<sup>1</sup>Executive Decree No. 6 of 5 February 1992.

n/a: Not applicable.

Source: General Comptroller's Office, Ministry of the Treasury, Hydraulic Resources and Electricity Institute.