



Message from His Excellency Juan Carlos Varela Rodríguez President of the Republic of Panama

By virtue of our location and our mentality, Panama is truly at the crossroads of the world. Lying between north and south, east and west, we have long brought together people, ideas, and products. As a nation that has always been the centre of diplomacy, logistics and transportation, cooperation is in our DNA. This is why more than five per cent of all global trade is carried through the Panama Canal. And it is why Panama is called “The Great Connection”.

In this spirit, when I first heard that the United Kingdom had voted to leave the European Union, I directed my cabinet to explore how Panama could work with our friends in the UK during this momentous transition and beyond. I remain convinced that Panama is a natural ally for Britain in navigating the seas ahead. As I arrive in London for talks with Prime Minister Theresa May, I hope to consolidate a stronger, more dynamic trade and economic relationship between our nations, and specifically to convert Brexit opportunities into tangible returns for all of our people.

As it happens, I am in the UK on the 65th anniversary of Queen Elizabeth’s visit to Panama. Her first visit as monarch to a country outside the Commonwealth. The reasons she chose our country are as relevant today as they were in 1953. The UK remains Panama’s fourth largest foreign investor, and our historical and economic ties date back centuries. We both have long shipping histories and are trading nations at heart. And we are both melting pots of culture, representing visions for global cooperation and commerce that connect the world.

However, the world today is fraught with economic and political divisions, marked by a profound scepticism towards free trade and even towards capitalism and the free-market. This is as true of Latin America as it is elsewhere. Yet, Panama is an outlier to this trend. We have been able to balance our free-market principles with results-driven policies aimed at human development, which at once helped enhance the legitimacy of market-based approach while serving as a model to other nations seeking a way forward in this time of change and uncertainty.

For principles to endure they must produce tangible results. Panama’s economy is the fastest growing in Latin America, with an average growth rate over the last decade of more than seven per cent. In the past year alone, foreign investment has increased by almost six per cent, representing a total growth of 15 per cent during my administration. Our democracy is flourishing and our institutions are sound. We know where our strengths and weaknesses lie, and we have invested heavily in our diversified economy, our world-leading logistics industry, the development of our ports, and the expansion of the Canal.

Beyond the statistics, the real work has been ensuring our progress trickles down to every citizen. We are committed to an agenda of social peace, progress, and prosperity for all Panamanians. We poured our energies into projects like social housing, basic sanitation, new schools and the construction of two thousand kilometres of road, works that generate jobs and movement in the national economy.

We now proudly host the regional headquarters of more than 150 multinational companies, and that number is increasing every year. This government has continued the spirit of development and enterprise which led to the Panama Canal’s creation, and transformed both the continent and world commerce. Our canal is a global symbol of international cooperation and connectivity, and it explains our position as the Latin American headquarters of a league of free trading nations led by Britain.

In fact, we delivered on most of the platform I campaigned on when I first ran for President. In addition to completing the expansion of the canal, we increased financial transparency and fought corruption. We expanded infrastructure and our logistics sector: we are near completion of a new elevated metro line that will connect San Miguelito and Nuevo Tocumen (21km apart) with the capacity to transport 16,000 passengers per hour per direction. We are about to open a new state-of-the-art airport. And we expanded education and training services for our people. Taken together, we are ready, willing, and able to partner with friends

the world over in mutually beneficial trade and commercial relationships.

To us, these relationships are more than commercial “win-wins”; they represent a defence of institutions and a world order that favours openness over barriers, networks over borders, transparency over back-rooms, rule of law over anarchy. This is what Panama has long stood for as the world’s “Great Connector”, and it what we are destined for in our relations with the United Kingdom.

British investment and cooperation with Panama has been on the rise, and my hope with this visit is for it to rise further. British know-how is facilitating the expansion of our ports and road infrastructure. British teachers are preparing Panamanian educators to teach English to our children, with a teacher-training program that has already provided bilingual education to 1000 teachers in UK Universities and will consequently prepare the next generation of Panamanians to thrive in a global economy. Similarly, Panama’s biggest exports to Britain are currently fruits and seafood. However, as Liam Fox stated last summer during his visit to Panama, we are building on this with increased exchange in technical and financial services. As we continue to transition to an economy that is increasingly technical and service-based, we will look to partner with Britain more and more, a country already so advanced in these areas. While in London, I aim to propose several new areas for mutual cooperation and exchange, particularly where the UK can help Panama to develop, such as security issues and education.

As the UK acts on its momentous decision to leave the European Union, it is clear to us in Panama that post-Brexit Britain will be a close ideological and commercial partner. Together we will champion free-market principles that created vast wealth globally and champion transparency, accountability, and social justice. When the UK begins its mission to remove barriers to trade around the world, it will find no greater partner, ambassador and advocate than the country which was built as a hub for world commerce, and which bears the words “*Pro Mundi Beneficio*”