

Political Constitution of the Republic of Panama

Preamble

With the ultimate purpose to strengthen the Nation; to guarantee the freedom, ensure democracy and institutional stability, exalt human dignity, promote social justice, general welfare, regional integration and invoking the protection of God, we decree the Political Constitution of the Republic of Panama.

TITLE I THE PANAMANIAN STATE

ARTICLE 1

The Panamanian Nation is organized as a sovereign and independent State, and its name is the Republic of Panama. Its Government is unitary, republican, democratic and Representative.

ARTICLE 2

Public power emanates solely from the people. It is exercised by the State, in conformity with this Constitution, through Legislative, Executive, and Judicial Branches of Government, which act within limits and separately, but in harmonious cooperation.

ARTICLE 3

The territory of the Republic of Panama comprises the land surface, the territorial sea, the undersea continental shelf, the subsoil and the air space between Colombia and Costa Rica, in accordance with the boundary treaties concluded by Panama with those States.

National territory can never be ceded, assigned, or transferred, neither temporarily nor partially, to another State.

ARTICLE 4

The Republic of Panama abides by the rules of International Law.

ARTICLE 5

The territory of the Panamanian State is divided politically into Provinces, these, in turn, into Districts and the Districts into Boroughs.

Other political divisions may be created by law, either to be subject to special rules, or for reasons of administrative convenience or public service.

ARTICLE 6

The symbols of the Republic are the anthem, the flag, and the coat of arms adopted by Law No. 34 of 1949.

ARTICLE 7

Spanish is the official language of the Republic.

TITLE II CITIZENSHIP AND STATUS OF FOREIGNERS

ARTICLE 8

Panamanian citizenship is acquired by birth, by naturalization or by Constitutional provision.

ARTICLE 9

The following are Panamanian by birth:

1. Those born in the National territory;
2. The offspring of parents who are Panamanian by birth, born outside the territory of the Republic, provided they establish their domicile in the National territory;
3. The offspring of parents who are Panamanian by naturalization, born outside the territory of the Republic, provided they establish their domicile in the Republic of Panama and state their desire to elect Panamanian citizenship, not later than one year after reaching legal age.

ARTICLE 10

The following may request Panamanian citizenship by naturalization:

1

Aliens with five years of continuous residence within the territory of the Republic, if, after having reached legal age, they declare their intention to become naturalized, expressly renounce their citizenship of origin or any other citizenship, and establish that they have a command of the Spanish language and an elementary knowledge of Panamanian geography, history and political organization;

2

Aliens with three years of continuous residence within the territory of the Republic, who have children born on the national territory of Panamanian father or mother, or who have a spouse

of Panamanian citizenship, provided they make the statement and submit the evidence to which the preceding section refers;

3

Those nationals by birth, of Spain or any Latin American nation provided they fulfill the same requirements necessary in their country of origin for the naturalization of Panamanians.

ARTICLE 11

Persons born abroad who before their seventh birthday were adopted by Panamanian nationals are Panamanians by virtue of the Constitution without need of a naturalization certificate. In this case nationality is acquired from the moment when the adoption is entered into the Panamanian Civil Register.

ARTICLE 12

Regulations concerning naturalization shall be established by law. The State may refuse the request for a naturalization certificate for reasons of morality, security, health, and physical or mental impairment.

ARTICLE 13

Panamanian nationality by origin or acquired by birth can not be lost, but express or implied renunciation of it, suspends citizenship.

Panamanian nationality derived from or acquired by naturalization shall be lost for the same reasons. There is express renunciation when the person states in writing to the Executive Authority that he/she desires to abandon Panamanian citizenship; and implied renunciation when the person acquires the citizenship of a foreign state, or enters the service of an enemy State.

ARTICLE 14

Immigration shall be regulated by law, considering social, economic and demographic interests of the country.

ARTICLE 15

Both nationals and aliens who are within the territory of the Republic shall be subject to the Constitution and the Law.

ARTICLE 16

Panamanians by naturalization shall not be obliged to take up arms against the country of their birth.

TITLE III INDIVIDUAL AND SOCIAL RIGHTS AND DUTIES

CHAPTER 1 FUNDAMENTAL GUARANTEES

Article 17

The authorities of the Republic are established for the purpose of protecting the lives, honor and property of all nationals, wherever they may be, and of aliens who are under the Republic's jurisdiction, of ensuring the effectiveness of individual and social rights and duties, and of observing and enforcing the Constitution and the Law.

The rights and guarantees recognized by this Constitution must be considered as minimum standards which do not exclude others which are related to fundamental rights and the dignity of the individual.

Article 18

Private persons are solely responsible to the authorities for violation of the Constitution or the Law. Public Officers are responsible, for the same reasons, and also for exceeding their authority, or for dereliction in the performance of their duties.

Article 19

There shall be no public or private privileges, or discrimination, by reason of race, birth, social class, handicap, sex, religion or political ideology.

Article 20

All Panamanians and aliens are equal before the Law, but the Law, for reasons of labor, health, morality, public security and national economy, may subject to special conditions, or may deny the exercise of specific activities to aliens in general. Likewise, the Law or the Authorities may, according to circumstances, take measures that exclusively affect nationals of certain countries, in case of war, or in accordance with what may be established in international treaties.

Article 21

No one may be deprived of his/her liberty except by warrant from a competent authority, issued in accordance with legal formalities, and for reasons previously defined by law. Those executing said order are obliged to give a copy thereof to the person concerned, if he/she requests it.

An offender surprised in the act of committing a crime (flagrante delicto) may be apprehended by any person and must be turned over immediately to the authorities.

No one may be detained for more than twenty-four hours without being brought before a competent authority. Public Officers who violate this precept shall suffer immediate loss of employment and shall be subject to all other penalties established by law, concerning this violation.

There shall not be imprisonment, detention or arrest for debts or strictly civil obligations.

Article 22

All persons placed under arrest must be informed immediately, and in an understandable manner, of the reasons for their arrest, and of their Constitutional and corresponding legal rights.

Persons accused of committing a crime have the right to be presumed innocent until proven guilty, at a public trial, under due process of law. Whoever is arrested shall have the right, from that moment, to legal counsel in all police and judiciary proceedings.

This matter shall be regulated by law.

Article 23

Every individual arrested for reasons not specified or without the legal formalities prescribed by this Constitution or by law, shall be released upon his/her or another person's petition through the writ of habeas corpus which can be submitted immediately after the arrest, regardless of the applicable penalty.

The writ shall be processed with preference over other cases pending, through a summary proceeding, which will not be delayed even the writ is submitted after working hours or on holidays.

The writ of habeas corpus may also be submitted if a real or actual threat to liberty exists or if the form or the conditions of the arrest or the place where the arrested person is being detained put his/her physical, mental or moral integrity at risk or infringe his/her right of defense.

Article 24

The State may not extradite its nationals, nor may it extradite aliens, for political offenses.

Article 25

No person is obliged to testify against himself, his/her spouse, relatives to the fourth degree of consanguinity or second degree of marital relations in criminal, correctional or police proceedings.

Article 26

The domicile, or residence, is inviolable. No one may enter therein without the consent of the owner, except by warrant of a competent authority and for a specific purpose, or to assist the victims of a crime or disaster.

Labor, social security and health officials, upon presentation of valid identification, may make domiciliary visits, or inspections of work centers, to check on the fulfillment of social and public health laws.

Article 27

Every person may travel freely throughout the National territory and change domicile, or residence, without restrictions, other than those which the transit, fiscal, health, and immigration laws or regulations may prescribe.

Article 28

The penitentiary system is based on principles of security, rehabilitation and social defense. It is unlawful to apply measures which may damage the physical, mental, or moral integrity of incarcerated individuals.

A program for training prisoners in an occupation shall be established, which should permit them to be usefully reintegrated into society.

Prisoners who are minors shall be governed by a special system of custody, protection and education.

Article 29

Correspondence and other private documents are inviolable and shall not be searched or seized except by warrant of a competent authority, for specific purposes and in accordance with the legal formalities. In any case no notice shall be taken of matters alien to the object of the search or seizure.

The registration of letters and other documents or papers shall always take place in the presence of the person concerned or of a member of his/her family, or, in their absence, of two honorable neighbors living near the place.

All private communications are inviolable and may not be intercepted or recorded unless authorized by judicial warrant.

The non-compliance with this provision precludes that the results [of the interception] are used as evidence, without prejudice to the criminal liability incurred by its authors.

Article 30

The death penalty, expatriation and confiscation of property are abolished.

Article 31

Only those acts shall be punished which have been declared punishable by a law that predates their perpetration and is exactly applicable to the act for which charges are brought.

Article 32

No one shall be tried except by a competent authority and in accordance with legal procedures, and not more than once for the same criminal, administrative, police or disciplinary cause.

Article 33

The following authorities may impose penalties without previous trial in the cases and under the conditions defined by law:

1. The heads of the security forces who may impose penalties on their subordinates in order to suppress insubordination, mutiny, or lack of discipline;
2. Captains of ships or aircraft outside the port or the airport are authorized to suppress insubordination or mutiny, or to maintain order on board, or to detain provisionally any actual or presumed offender.

Article 34

In case of manifest violation of a Constitutional or legal precept, to the detriment of any person, the order of a superior does not relieve from responsibility the agent who executed it. Exception is made of individuals of the Public Forces when they are in actual service, in which case the responsibility falls exclusively on the immediate superior who gave the order.

Article 35

All religions may be professed and all forms of worship practiced freely, without any other limitation than respect for Christian morality and public order. It is recognized that the Catholic religion is practiced by the majority of Panamanians.

Article 36

Religious organizations have juridical capacity and manage and administer their property within the limits prescribed by law, the same as other juridical persons.

Article 37

Every person may express his/her opinion freely, either orally, in writing or by any other means, without being subject to prior censorship. Legal responsibility (liability) will, however, be incurred when by any of these means, the reputation or honor of persons is assailed, or when social security or public order is attacked.

Article 38

All inhabitants of the Republic have the right to assemble peacefully, without arms, for lawful ends. Public demonstrations or gatherings in open air are not subject to permission. Only

previous notification of the local Administrative Authorities, twenty four hours in advance, is required to hold such gatherings.

Authorities may take Police action to prevent or restrain abuse of this right, when the form in which it is exercised causes, or may cause, traffic disturbances, breach of the peace, or violation of the rights of others.

Article 39

The formation of companies, associations, or foundations that are not contrary to morals or legal order, is permitted. These may obtain recognition as juridical persons. Recognition shall not be granted to associations whose ideologies are based on the supposed superiority of any race or ethnic group or which defend or promote racial discrimination. The capacity, recognition and regulation of these companies and other juridical persons shall be determined by Panamanian law.

Article 40

Every person is free to exercise any profession or trade, subject to regulations established by law with respect to competence, morality, social welfare and security, professional affiliation, public health, unionization, and compulsory dues.

No taxes or assessments for the exercise of liberal professions, trades, and arts shall be established.

Article 41

Every person shall have the right to present respectful petitions and complaints to public officials for reasons of social or private interest, and to obtain a prompt decision.

A public official to whom such a petition, inquiry or complaint is presented, must make a decision on it within thirty days.

Penalties which apply to a violation of this provision shall be determined by law.

Article 42

Every person has a right of access to his/her personal information contained in data banks or public or private registries and to request their correction and protection, as well as their deletion in accordance with the provisions of the law.

This information may only be collected for specific purposes, subject to the consent of the person in question or by order of a competent authority based on the provisions of the law.

Article 43

Every person has a right to ask for accessible information or information of general interest stored in data banks or registries administered by public servants or by private persons providing public services, unless access has been limited by written regulation or by legal mandate, and to request their lawful processing and correction.

Article 44

Every person may submit a writ of habeas data in order to enforce the right to access to his/her personal information stored in official or private data banks or registries, if in the latter case the data bank or registry is run by a business which provides a service to the public or deals with information.

The writ may also be brought in the same manner in order to enforce the right of access to public or freely accessible information, in conformity with the provisions of this Constitution.

The writ of habeas data may be used to request the correction, updating, rectification, deletion or protection of confidentiality of information and data of a personal character.

The law shall determine which tribunals are competent to decide on the applications for habeas data which are examined in a summary procedure without need of representation by counsel.

Article 45

Ministers of religious faiths and members of religious orders, aside from the performance of duties inherent to their missions, may hold public posts only when such are positions related to social welfare, public education, or scientific research.

Article 46

Laws have no retroactive effect, except those of public order or social interest when such is expressed. In criminal matters the law favorable to the accused always has preference and retroactivity, even though the judgment may have become final.

Article 47

Private property acquired by juridical or natural persons is guaranteed in accordance with the law.

Article 48

Private property implies obligations on the part of its owners because of the social function it must fulfill.

For reasons of public utility or social interest defined by law, there may be expropriation through special proceeding and compensation.

Article 49

The State recognizes and guarantees the right of every person to obtain quality goods and services, truthful, clear and sufficient information about the characteristics and the substance of the goods and services which he/she purchases, as well as the freedom of choice and the right to conditions of fair and equitable treatment.

The law shall establish the mechanisms necessary to guarantee these rights, the education and the means of defense of the consumer and user, the compensation of damages caused and the sanctions applicable to the violation of these rights.

Article 50

When the application of a law enacted for reasons of public benefit or social interest results in a conflict between private rights and the need recognized by the law itself, private interest must yield to the public or social interest.

Article 51

In case of war, grave disturbances of public order or urgent social interest requiring prompt action, the Executive Authority may decree the expropriation or seizure of private property.

When return of the seized object is feasible, the seizure will be only for the duration of the circumstances that may cause it.

The State is always responsible for all expropriations that the Executive Authority thus carries out, and for the losses and damage caused by the seizure, and will pay the value thereof as soon as the determining cause for the expropriation or seizure ends.

Article 52

No person is obliged to pay a tax or impost which has not been legally established and its manner of collection prescribed by law.

Article 53

Every author, artist or inventor enjoys the exclusive ownership of his/her work or invention during the time and in the manner prescribed by law.

Article 54

Every person against whom a Public Officer shall issue or execute a mandatory order or an injunction violating the rights and guarantees established by this Constitution, shall have the right of the order being revoked upon his/her petition or the petition of any other person.

The writ for protection of constitutional guarantee (amparo de garantías constitucionales), to which this Article refers, shall be subject to summary proceedings and the Cognizance of Courts of Law.

Article 55

In case of foreign war or internal disturbance that threatens peace or public order, all, or a part, of the Republic may be declared in a State of Emergency, and the guarantees of Articles 21, 22, 23, 26, 27, 29, 37, 38, and 44 of this Constitution, may be temporarily suspended, partially or totally.

The State of Emergency and the suspension of Constitutional guarantees mentioned above shall be declared by the Executive Branch through a Decree, agreed upon in Cabinet Council. The Legislative Branch, in its own right, or at the request of the President of the Republic, shall take cognizance of the State of Emergency if it lasts longer than ten days, and confirm or revoke, totally or partially, the measures adopted by the Cabinet Council relative to said State of Emergency.

When the conditions that had motivated the State of Emergency Decree cease to exist, the Legislative Branch, if it is in session, or, if not, the Cabinet Council, shall rescind the Decree and end the State of Emergency.

CHAPTER 2 THE FAMILY

Article 56

The State protects marriage, motherhood and the family. What is relative to civil status shall be determined by law.

The State shall protect the physical, mental and moral health of minors and shall guarantee their rights to support, health, education and social security. In an equal manner, the elderly and the sick who are destitute shall have the right to this protection.

Article 57

Marriage is the legal basis of the family. It rests on equality of rights of both spouses and may be dissolved in accordance with the provisions of the law.

Article 58

The de facto union of persons of different sex with the legal capacity to enter into marriage which is sustained for five consecutive years in conditions of single partnership and stability shall produce the full effects of a civil marriage.

To this end, it shall be sufficient the interested parties jointly request the Civil Registrar to register the de facto union. As long as this request has not been made, the marriage may be proved, for the purpose of claiming the rights pertaining thereto, by any of the spouses concerned in accordance with the procedures established by law. However, the Public Ministry, in the interest of morals and of the law, or third persons who assert rights susceptible of being affected by the registration, may object to the registration or challenge it subsequently on the ground that the declaration is contrary to the facts.

Article 59

Parental authority (*patria potestad*) is the aggregate of rights and duties parents have in respect to their children.

Parents are obliged to support, educate and protect their children to ensure their proper physical and spiritual upbringing and development, and the latter are obliged to respect and assist their parents.

The exercise of parental authority shall be regulated by law in accordance with social interests and the welfare of the children.

Article 60

Parents have, with respect to their children born out of wedlock, the same duties as towards their children born in wedlock. All children are equal according to law, and have the same rights of inheritance in intestate successions. The rights of minors or incapacitated children and of destitute parents in testate successions, shall be recognized by law.

Article 61

Investigation of paternity shall be regulated by law. Classifications as to the nature of the relationship are abolished. There shall not be entered any statement establishing differences of birth, or, on the civil status of the parents, in the registration records, or in any attestation, baptismal or christening records, or certificate referring to the relationship.

Authority is hereby granted to the father of a child born before the effective date of this Constitution to protect the child by the provisions of this Article, by means of rectifying any record or attestation in which any classification may have been established with respect to said child. The consent of the mother is not required but if the child is of legal age, he/she must give his/her consent thereto. In acts of acknowledgement of paternity, anyone who is legally affected by said act may oppose this measure.

Procedures shall be established by law.

Article 62

The State shall protect the social and economic development of the family and shall organize the family homestead, determining the nature and amount of property that must constitute it, on the basis that it is inalienable and un-attachable.

Article 63

The State shall create an Entity for the protection of the family, for the purposes of:

1. Promoting responsible parenthood through family educational programs;
2. Establishing educational programs for pre-school age children, in specialized centers, which children may attend upon the request of their parents or guardians;
3. Protecting minors, and the elderly, and accomplishing the social readjustment of those who are abandoned, helpless, morally misguided, or who have behavior maladjustment problems.

The functioning of a special jurisdiction over minors, which among other duties, shall take cognizance of suits concerning the investigation of paternity, family desertion, and juvenile behavior problems, shall be organized and determined by law.

CHAPTER 3 WORK

Article 64

Work is a right and duty of the individual and accordingly the State is obliged to devise economic policies to promote full employment, and to ensure to every workman the necessary conditions for a decent existence.

Article 65

Every workman in the service of the State, of public or private enterprises or private persons, is guaranteed a minimum wage or salary. Workers of enterprises specified by law shall share in the profits thereof in accordance with the economic conditions of the country.

Article 66

Rules of periodic adjustment of the minimum salary or wage of the worker shall be set by law, to cover the normal requirements of his/her family, to improve worker's standard of living according to specific conditions of each economic region and activity. The law may also determine the method of fixing minimum salaries or wages for professions or trades.

Whenever job or piece work is performed, it is obligatory that the minimum wage be ensured for each day's work.

The minimum of all wages or salaries is un-attachable, except for support obligations as established by law. Working tools of the workmen are also un-attachable.

Article 67

A like wage or salary shall always be paid for like work under identical conditions, irrespective of the person who performs it, without taking into account sex, nationality, age, race, social standing, political or religious ideologies.

Article 68

The right of association is acknowledged for employers, employees, workers and professionals of all classes, for purposes of economic and social activities.

The Executive Authority shall have a non-extendable term of thirty days in which to grant or reject the registration of a union.

Recognition by the Executive Authority of unions, whose legal status shall be determined by registration, shall be regulated by law.

The Executive Authority may not dissolve a union except when it deviates from its exclusive purposes, and this is so declared by a competent court, by means of a final judgment.

The Boards of Directors of these associations shall be constituted exclusively of Panamanians.

Article 69

The right to strike is hereby recognized. Regulations concerning the exercise of this right, including special restrictions for public service, shall be established by law.

Article 70

The maximum work day shall be eight hours, and the labor week up to forty eight hours.

The maximum night work shall not be more than seven hours. Overtime shall be paid with surcharge.

The maximum work day may be reduced to six hours per day for those over fourteen and under eighteen. Employment of children under 14, and night work of those under 16, is unlawful, save for the exceptions established by law. Likewise, it is unlawful to employ children under 14 as domestic servants, and to employ children and women in unhealthy occupations.

In addition to a weekly day of rest, all workers shall be entitled to paid vacations.

The weekly day of rest with pay may be established by Law in accordance with social and economic conditions of the country, and for the benefit of workers.

Article 71

All stipulations that imply waiver, diminishment, modification, or relinquishment of any right recognized in favor of the worker are void, and, as such, do not bind the contracting parties although expressed in a labor agreement or in any other pact. Everything relating to labor contracts shall be regulated by law.

Article 72

Motherhood of the working woman is protected. The pregnant woman may not be separated from her public or private employment for this reason. For a minimum of six weeks prior to confinement and eight weeks thereafter, she is entitled to rest with the same remuneration that she was receiving, and her job shall be kept for her, as well as all the rights inherent to her contract. Upon returning to work, the mother may not be dismissed for one year, except in special cases prescribed by law, which shall in addition, regulate the special working conditions of the pregnant woman.

Article 73

It is unlawful to engage foreign workers who can lower the working conditions or standards of living of the National worker. Hiring of foreign managers, administrative and executive directors, technicians, and professionals for public and private service shall be regulated by law, always ensuring the rights of the Panamanian in regard to National interest.

Article 74

No worker can be dismissed without just cause and without the formalities established by law. These will specify the just reasons for the dismissal, its special exceptions, and corresponding compensation.

Article 75

Free professional education for the worker is established, imparted by the State or private enterprise, and regulated by law.

Article 76

Training of union members is established. It will be imparted exclusively by the State and by Panamanian union organizations.

Article 77

All controversies arising from relations between capital and labor shall be subjected to labor jurisdiction, which shall be exercised in accordance with the provision of the law.

Article 78

Relations between capital and labor, shall be regulated by law, placing them on a basis of social justice, and establishing special state protection for the benefit of workers.

Article 79

The rights and guarantees established in this chapter shall be considered as minimum benefits for workers.

CHAPTER 4 NATIONAL CULTURE

Article 80

The State recognizes the right of every individual to participate in the Culture of the Nation, and shall foster the participation of all inhabitants of the Republic in National Culture.

Article 81

National Culture consists of the artistic, philosophic and scientific manifestations produced by man in Panama through the ages.

The State shall promote, develop and safeguard this cultural heritage.

Article 82

The State shall supervise the defense, dissemination and purity of the Spanish language.

Article 83

The State shall formulate national scientific policy destined to promote the development of science and technology.

Article 84

The State recognizes the individuality and universal value of artistic work; it shall sponsor and encourage Panamanian artists by making their works known through channels of cultural communication, and shall promote, at the National level, the development of art in all its manifestations, by means of academic institutions of information and recreation.

Article 85

The historical heritage of the Nation is composed of its archeological objects and sites, historical documents, monuments, and personal or real property that testify to the Nation's past. The State shall decree the expropriation of those items which are in the hands of private parties. Regulations concerning custody of such items shall be established by law, based on the historical primacy of same. Necessary steps to adapt historical heritage items to commercial, tourist, industrial, and technological programs shall be regulated by law.

Article 86

The State shall foster the development of physical culture, through sport, education, and recreation centers which shall be regulated by law.

Article 87

The State recognizes that folkloric tradition constitutes an essential element of national culture, and shall promote its study, preservation and publication, establishing its primacy over manifestations or tendencies that adulterate it.

Article 88

Aboriginal languages shall be the object of special study, conservation and dissemination.

The State shall promote programs of bilingual literacy in indigenous communities.

Article 89

The social communications media are instruments of information, education, recreation, and cultural and scientific dissemination. When they are used for the dissemination of publicity and propaganda, these must not be contrary to health, morals, education, cultural formation of the local and national conscience. Operation of above mentioned media shall be regulated by law.

Article 90

The State recognizes and respects the ethnic identity of national indigenous communities, and shall establish programs to develop the material, social and spiritual values of each of their cultures. It shall establish an institution for the study, preservation and publication of these cultures and their languages, and for promotion of full development of said human groups.

CHAPTER 5 EDUCATION

Article 91

All have the right to an education, and the responsibility to become educated. The State organizes and directs national education as a public service, and guarantees parents the right to participate in the process of their children's education.

Education is based on science, uses its methods, promotes its growth and dissemination, and applies its results in order to ensure the development of the human person, and of the family, and equally to ensure the affirmation and strengthening of the Panamanian nation as a cultural and political community.

Education is democratic, and is founded on principles of human solidarity and social justice.

Article 92

Education must accomplish the harmonious and integral development of the person being educated, within the physical, intellectual, moral, aesthetic, and civil standards of society, and must provide the student with the capacity for useful work, in his/her own interest, and for the benefit of all.

Article 93

It is recognized that the purpose of Panamanian education is to encourage in the student the formation of a national conscience based on knowledge of the history and problems of the country.

Article 94

Freedom of education is guaranteed, and the right to create private schools, subject to law, is recognized. The State has the power to intervene in the teachings of private educational establishments in order that national and social purposes of the culture, as well as the intellectual, moral, civic, and physical formation of students, be fulfilled. Public education is that taught in official public schools and private education, that taught in private schools.

Educational institutions, whether public or private, are open to all students without distinction of race, social position, political ideology, religion, or the nature of the relationship of the student's parents or guardians. Official and private education shall be regulated by law.

Article 95

Official education is free at all pre-university levels. Primary level or general basic education is compulsory.

Free education obliges the State to furnish students with all supplies necessary for their instruction until they complete their general basic education. Free education does not prevent a tuition fee at the non compulsory level.

Article 96

The State agency that shall formulate and approve study plans, educational programs and levels, as well as the organization of a national educational guidance system, in accordance with national needs, shall be determined by law.

Article 97

Occupational education is established as a special element of the educational system, with basic education and special training programs.

Article 98

Private undertakings whose operations significantly alter the school population in a certain area, shall contribute to meet the educational requirements of the children of their workmen in accordance with official regulations. Urban development enterprises shall have the same responsibilities with respect to the areas in which they operate.

Article 99

Only academic and professional titles issued by the State, or authorized by it, in accordance with the Law, are recognized.

The Official University of the State shall supervise the degrees of private Universities officially approved, to guarantee the degrees they use, and shall revalidate those of foreign Universities in the cases established by law.

Article 100

Education shall be imparted in the official language. Only in specially qualified cases of public interest can an educational establishment be permitted by law to teach in a foreign language.

The history of Panama and civic education shall always be taught by Panamanians.

Article 101

The law may establish economic incentives benefiting public and private education, as well as the publication of national instructional works.

Article 102

The State shall establish a system of economic benefits through scholarships, supplements, or any economic assistance to students who deserve or require it.

Under equal circumstances, preference shall be given to those who are financially in need.

Article 103

The Official University of the Republic is autonomous. Juridical status, its own patrimony, and the right to administer it are hereby recognized. It is empowered to organize its own study programs, and to appoint and dismiss personnel in the manner determined by law. It will

include in its activities the study of national problems and diffusion of National Culture. Equal importance shall be given to University education provided in Regional Centers as that provided in the capital city.

Article 104

In order that the economic autonomy of the University be made effective, the State shall provide it with what is essential for its establishment, operation, and future development, as well as the endowment dealt with in the preceding article, and the necessary resources to increase it.

Article 105

Freedom of teaching is recognized subject to no other limitations than those that for reasons of public order may be established in the University charter.

Article 106

Exceptional students of all types shall be afforded special education, based on scientific research and educational guidance.

Article 107

The Catholic religion shall be taught in public schools, but, upon the requests of parents or guardians, certain students shall not be obliged to attend religion classes, nor to participate in religious services.

Article 108

The State shall develop programs of education and promotion for indigenous groups which possess their own cultural mores, in order to ensure their active participation in public life.

CHAPTER 6 HEALTH, SOCIAL SECURITY AND SOCIAL WELFARE

Article 109

It is an essential function of the State to protect the health of all the people of the Republic. The individual, as part of the national community, is entitled to promotion, protection, conservation, recovery and rehabilitation of his/her health and the obligation to preserve it, health being understood to be complete physical, mental and social wellbeing.

Article 110

In matters of health, the State is primarily obliged to develop the following activities, integrating the functions of prevention, cure and rehabilitation in the:

1. Establishment of a national policy of food and nutrition, ensuring optimum nutritional conditions for the entire population, by promoting the availability, consumption, and biological benefit of suitable food;
2. Training of individuals and social groups by means of educational actions concerning individual and collective rights and responsibilities, with respect to personal and environmental health;
3. Protection of the health of mother, young child and adolescent, guaranteeing health care during the periods of pregnancy, lactation, childhood and adolescence;
4. Combating of contagious diseases through environmental health, development of potable water availability, and adopting methods of immunization, prophylaxis, and treatment to be provided collectively and individually to all the population;
5. Establishment, in accordance with the requirements of each region, of centers which provide comprehensive health care services, and supply medicines to all the people. These services and medicines shall be given free to those who lack economic means to purchase them;
6. Regulation, and supervision of the fulfillment of conditions of health and safety in places of work, establishing a national policy of medicine and hygiene for Industry and Labor.

Article 111

The State shall develop a national policy regarding medical products that promotes the production, availability, obtainability, quality, and control thereof throughout the country.

Article 112

The State is obliged to establish a population policy that is responsive to the social and economic development needs of the country.

Article 113

All individuals are entitled to the security of their economic means for subsistence in case of disability or impossibility of obtaining remunerated work. Social Security services shall be granted or administered by Autonomous Entities and shall cover sickness, maternity, disability, family subsidies, old age, widowhood, orphan-hood, compulsory lay off, labor accidents and occupational diseases, and all other contingencies that may be included in social security. The establishment of such services, as and when demanded by social requirements, shall be provided for by law.

The State shall create assistance and social welfare institutions. The fundamental tasks of these are the economic and social rehabilitation of the dependent sectors or those lacking economic means, care of the mentally and chronically ill, and indigent invalids, and groups that have not been integrated into the Social Security System.

Article 114

The State may establish complementary funds, with the support and participation of public and private sector workers, to improve Social Security services concerning retirements. This shall be regulated by law.

Article 115

Government Health Agencies, including Autonomous and Semi-autonomous Institutions, shall be integrated organically and functionally. This shall be regulated by law.

Article 116

Communities have the duty and the right to participate in the planning, execution and evaluation of the different Health Programs.

Article 117

The State shall establish a National Housing Policy in order to provide housing for all people, especially those in lower income groups.

CHAPTER 7 THE ECOLOGY

Article 118

The State has the fundamental obligation to guarantee that its population lives in a healthy environment, free of contamination (pollution), and where air, water, and foodstuffs satisfy the requirements for proper development of human life.

Article 119

The State, and all the inhabitants of the national territory, have the obligation of promoting economic and social development that prevents environmental contamination, maintains ecological balance, and avoids the destruction of ecosystems.

Article 120

The State shall regulate, supervise, and apply, at the proper time, the measures necessary to guarantee rational use of, and benefit from, land, river and sea life, as well as forests, lands and waters, to avoid their misuse, and to ensure their preservation, renewal, and permanence.

Article 121

Benefits gained from non-renewable natural resources shall be regulated by law, to avoid social, economic and environmental abuses that could result.

CHAPTER 8 AGRARIAN SYSTEM

Article 122

The State shall pay special attention to all aspects of Cattle and Agricultural development, promoting optimum use of the land, seeing to its reasonable distribution, and its proper use

and conservation, so that it may be maintained in productive conditions. The State shall guarantee each farmer the right to live with dignity.

Article 123

The State shall not permit the existence of uncultivated, unproductive or idle lands, and shall regulate work relations on the farms, promoting maximum productivity and fair distribution of the benefits of same.

Article 124

The State shall give special attention to indigenous farming communities, with the purpose of promoting their economic, social, and political participation in the national life.

Article 125

The proper use of agricultural land is a duty of the owner to the community, and shall be regulated by law in accordance with its ecological classification, to avoid underutilization and a decrease of its production potential.

Article 126

To fulfill the objectives of the Agrarian Policy, the State shall carry out the following activities:

1. Grant necessary farm lands to rural dwellers and regulate the use of the water. A special system of collective ownership for rural communities which so request may be established by law;
2. Organize credit assistance to meet the financial needs of agricultural and cattle operations, and particularly those of low income persons and groups, and give special attention to small and medium producers;
3. Take measures to ensure stable markets and fair prices for products and to foster the establishment of Agencies, Corporations, and Cooperatives for production, processing, distribution and consumption;
4. Establish means of communication and transportation to link rural and indigenous communities with centers of storage, distribution and consumption;
5. Settle new lands and regulate the tenure and use of such lands and of those incorporated into the economy as a result of the construction of new highways;
6. Foster the development of the Agrarian Sector by means of technical assistance and promotion of organization, training, protection, mechanization and other activities determined by law; and
7. Perform studies of the land in order to establish the agrological classification of Panamanian land. The policy established for the implementation of this Chapter shall be applicable to Indian Communities in accordance with scientific methods of cultural changes.

Article 127

The State guarantees to indigenous communities the reservation of necessary lands an collective ownership thereof, to ensure their economic and social well-being. Procedures to be

followed for obtaining this purpose, and the definition of boundaries within which private appropriation of land is prohibited, shall be regulated by law.

Article 128

Agrarian Jurisdiction is established. Organization and functions of Agrarian Courts shall be determined by law.

CHAPTER 9 OFFICE OF THE OMBUDSMAN (DEFENSORÍA DEL PUEBLO)

Article 129

The Office of the Ombudsman monitors the protection of the fundamental rights and guarantees recognized in this Constitution as well as of those which are provided for by international human rights conventions and the law through the non-judicial control of the facts, acts and omissions of public servants and providers of public services and makes sure that they are observed.

The Office of the Ombudsman acts under the direction and responsibility of the Ombudsman who is appointed by the legislative branch for a period of five years during which he/she may neither be suspended nor dismissed, except by a vote of two thirds of the members of the National Assembly on one of the grounds previously determined by law.

Article 130

In order to be eligible as Ombudsman it is necessary:

1. To be Panamanian by birth;
2. To fully enjoy one's civil and political rights;
3. To be at least thirty five years of age;
4. Not to have been sentenced to five years in prison or more for a premeditated offense;
5. To have moral integrity and a good reputation;
6. Not to be bound by family ties, within the fourth degree of consanguinity and the second degree of marital relations, to the President of the Republic, any other Cabinet Council member, Justices of the Supreme Court of Justice or a member of the National Assembly.

TITLE IV POLITICAL RIGHTS

CHAPTER 1 CITIZENSHIP

Article 131

All Panamanians over eighteen years of age are citizens of the Republic, without regard to sex.

Article 132

Political rights and the capacity to perform public functions with power and jurisdiction are reserved to natural born Panamanian citizens.

Article 133

The exercise of citizen rights is suspended:

1. In cases mentioned expressly in Article 13 of this Constitution;
2. For penalties according to law.

Article 134

Suspension and recovery of citizenship shall be governed by law.

CHAPTER 2 SUFFRAGE

Article 135

Voting is a right and a duty of all citizens. The vote is free, equal, universal, secret and direct.

Article 136

The authorities are obliged to guarantee the freedom and fairness of elections. It is prohibited:

1. To give direct or indirect official support to any candidate for office in a popular election, even if the means used are to this end are subject to public control;
2. To allow partisan propaganda or support activities in public offices;
3. To extract funds or contributions from public employees for political purposes, even under the pretext that they are voluntary;
4. To impede or obstruct a citizen in obtaining, keeping, or showing personally his/her personal identity card (cédula).

In the same manner, it is prohibited to extract funds, contributions, fees or discounts from workers in the private sector for political purposes, even under the pretext that they are voluntary.

Electoral offenses shall be typified and their penalties fixed by law.

Article 137

The requirements which have to be met by public officials who want to run for elected office shall be defined by law.

Article 138

Political parties express political pluralism, contribute to the formation and manifestation of the popular will, and are fundamental instruments of political participation, without prejudice to the freedom of electoral nomination in the form prescribed by this Constitution and by law. The internal structure and the functioning of political parties shall be based on democratic principles.

The law shall regulate the registration and the continued existence of political parties but in no case may provide that the minimum number of votes required for survival is higher than five percent (5%) of the valid votes cast in elections for President, members of the National Assembly, Mayors or Precinct Representatives, whichever is the vote in which the party concerned has been most successful.

Article 139

It is unlawful to form political parties based on sex, race, or religion, or that have as their purpose the destruction of the democratic form of government.

Article 140

Political parties shall have the right, in equal conditions, to the use of communications media administered by the Central Government, and to ask for, and receive, information from all government officials on any matter under their jurisdiction, except that information which is concerned with the country's classified diplomatic relationships.

Article 141

The State may supervise and contribute to the payment of expenses incurred by natural persons and political parties in the electoral process. Such supervision and payment shall be determined and regulated by law, ensuring equality of expenditures to all parties and candidates.

CHAPTER 3 THE ELECTORAL TRIBUNAL

Article 142

In order to guarantee the freedom, fairness and effectiveness of popular elections, an autonomous and independent tribunal is established, called Electoral Tribunal, which shall have legal personality, its own funds and the right to administer them. This Tribunal shall be the sole entity responsible for interpretation and application of Electoral Law and it shall direct, supervise, and control the recording of important facts, deaths, naturalizations, and all other facts and legal acts related to the civil status of persons, the issuance of personal identity cards, and the different stages of the electoral process.

The Tribunal shall have jurisdiction throughout the Republic, and shall be composed of three justices who must have the same qualifications which are required for Justices of the Supreme Court. They shall be designated, separated by intervals, for ten year terms, as follows: one by the Legislative Branch, one by the Executive Branch, and one by the Supreme Court of

Justice, among candidates who are not members of the nominating authority. For each justice, one alternate shall be appointed in the same manner.

The Justices of the Electoral Tribunal and the Electoral Prosecutor (Fiscal General Electoral) are responsible before the Supreme Court for any offenses or crimes committed in the exercise of their duties; the prohibitions and prerogatives established by this Constitution for the Justices of the Supreme Court of Justice also apply to them.

Article 143

In addition to the functions conferred upon it by law, the Electoral Tribunal shall have the following functions which it shall exercise solely, with the exception of those mentioned in numerals 5 and 7:

1. To record births, marriages, deaths, naturalizations, and the other facts and legal acts related to the civil status of persons, and to include the necessary explanatory notes in the respective records;
2. To issue personal identity cards;
3. To regulate, interpret and apply the Electoral Law and to decide on disputes caused by its application;
4. To punish offenses and crimes against free and fair elections in accordance with law, granting a second instance;
5. To keep the electoral register;
6. To organize, direct and supervise the registration of voters, and to resolve disputes, applications and complaints that may arise in this respect;
7. To process the records of immigration and naturalization applications;
8. To name the members of the Electoral Boards on which the representation of the legally established political parties must be guaranteed. The law shall regulate this matter;
9. To draft its budget and to present it in a timely manner to the Executive Branch for inclusion in the draft General Budget of the State. The Electoral Tribunal shall defend, at all stages, its draft budget. The finally approved budget shall provide it with the necessary funds for the fulfillment of its functions. In the budget shall be included the operating costs of the Electoral Tribunal and of the Office of the Electoral Prosecutor, the investments and costs needed for the conduct of the election processes and other popular consultations as well as the subsidies to the political parties and the independent candidates for elected office. In the year immediately prior to the general elections and until the end of the electoral period the Tribunal Electoral shall be subject only to posterior supervision by the Office of the Comptroller General;
10. To initiate legislation on matters within its jurisdiction;
11. To consider as the sole competent body the applications and actions brought against the decisions of the lower electoral criminal tribunals and the Office of the Electoral Prosecutor.

The decisions of the Electoral Tribunal on electoral matters may only be challenged before the latter and once legal proceedings have been completed they shall be final, irrevocable and binding.

Only the application for constitutional review shall be admissible against these decisions.

Article 144

The Office of the Electoral Prosecutor is an independent investigating body annexed to the Electoral Tribunal which has the right to administer its budget.

The Electoral Prosecutor shall be appointed by the Executive Branch, subject to the approval of the Legislative Branch, for a ten year term. He/she must have the same qualifications as those required for a Supreme Court Justice, and shall be subject to the same restrictions. His/her functions are:

1. To safeguard the political rights of citizens;
2. To watch over the official conduct of public employees, with respect to political and electoral rights and responsibilities;
3. To prosecute electoral violations and offenses;
4. To exercise all other powers determined by law.

Article 145

Public authorities are obliged to follow and fulfill orders and decisions emanating from electoral jurisdiction officials, giving such obedience, cooperation and assistance as required for the exercise of their powers. Omission or negligence in complying with such obligations shall be punished in accordance with penalties provided by law.

TITLE V THE LEGISLATIVE BRANCH

CHAPTER 1 THE NATIONAL ASSEMBLY

Article 146

The Legislative Branch shall be composed of a body named the National Assembly whose members shall be elected on the basis of party nominations or independent nominations through direct popular vote, in accordance with the provisions of this Constitution.

The requirements and proceedings established by the law for the formalization of independent nominations shall be equivalent and proportionate to those required for the registration of political parties and the presentation of party nominations, as far as applicable.

Article 147

The National Assembly shall be composed of seventy-one members (Diputados) who are elected in conformity with the law and subject to the following rules:

1. There shall be one-member constituencies and constituencies with several members (circuitos uninominales y plurinominales). Each district in which more than one member is elected shall form one constituency, with the exception of the district of Panama where constituencies with three or more members shall be established;
2. The constituencies are established in proportion to the number of voters who appear in the current Electoral Register;

3. Each region and the province of Darién are entitled to elect the number of members with which they count at the time at which this provision enters into force;
4. For the creation of the constituencies the political-administrative subdivision of the country, geographical proximity, population centers, neighborhood ties, communication channels and historical and cultural factors shall be taken into account as basic criteria for the grouping of voters in the constituencies.

Each member shall have an alternate elected with him/her on the same day who shall replace him/her during his/her absence.

After consultation with the legally recognized parties the Electoral Tribunal within the framework of the established consultation organism shall draw up and present to the National Assembly the draft law for the creation of the constituencies which shall serve as basis for the election of the Assembly members, in accordance with this provision.

Article 148

Members of the National Assembly shall be elected for a term of five years on the same day as ordinary elections are held for President and Vice President of the Republic.

Article 149

The National Assembly shall convene, in its own right, without need for previous convocation, in the capital city for sessions that last eight months in a one year period, divided into two ordinary legislative sessions of four month's duration. Such sessions shall extend from September 1 through December 31, and March 1 through June 30. The National Assembly shall meet in extraordinary session when convoked by the Executive Branch and during the time it designates, to hear exclusively, matters that the Branch submits for the members' consideration.

Article 150

Members shall act in the interest of the nation and shall represent in the National Assembly their respective political parties and their constituency voters.

Article 151

Political parties may terminate the mandate of principal or alternate Assembly members they have nominated under the following conditions and formalities:

1. The reasons for the termination of the mandate and the applicable procedure must have been established in the party bye-laws;
2. The reasons must refer to grave violations of the by-laws and of the ideological, political or general platform of the party, and must have been approved by means of a written resolution issued by the Electoral Tribunal prior to the date of nomination;
3. The sentencing of the principal or alternate member for premeditated offense to five years or more in prison by enforceable decision of a court of law is also a cause for termination of the mandate;
4. The person concerned shall have the right to be heard by his/her Party and defend himself/herself in two different instances;

5. The Party's decision to terminate the mandate shall be subject to an appeal which can only be heard by the Electoral Tribunal and which shall have suspending effect;
6. For the application of the termination procedure, the parties may establish consultation mechanism with voters in the respective constituency prior to initiating the process.

Political parties may also, by summary procedure, terminate the mandate of principal and alternate members who have left their party.

The constituency voters may request the Electoral Tribunal to terminate the mandate of independent principal and alternate members they have elected, provided they fulfill the requirements and formalities established by law.

Article 152

Sessions dedicated to the exercise of jurisdictional powers of the National Assembly shall be called judicial sessions, no matter what date they are held, or how such a National Assembly has been convoked. These meetings shall not alter the continuity or duration of a Legislative Session, and shall end only when the Assembly has decided the pending question. To exercise law making functions the National Assembly shall have the power to meet in its own right without prior convocation.

Article 153

In order to be eligible as member of the National Assembly it is necessary:

1. To be Panamanian by birth, or through naturalization, and to have resided for fifteen years in the country after naturalization;
2. To be a citizen in the exercise of his/her legal rights;
3. To be at least twenty one years of age at the time of election;
4. Not to have been sentenced for premeditated offense to five years or more in prison by enforceable decision of a court of law;
5. To be a resident of the respective constituency for at least one (1) year before being nominated for office.

Article 154

Members of the National Assembly are not legally responsible for opinions expressed or votes given in the discharge of their duties.

Article 155

The members of the National Assembly may be investigated and tried by the Supreme Court of Justice sitting in full for the presumed commission of a criminal or administrative offense without authorization by the National Assembly. Preventive detention or any interim measure shall be determined by the Supreme Court of Justice sitting in full.

The principal or alternate member may be sued before the civil courts, but no seizure or other interim measure regarding his/her assets may be taken without prior authorization by the Supreme Court sitting in full, with the exception of measures aiming to secure the fulfillment of family and labor law obligations.

Article 156

Principal and alternate members (when the latter is performing the duty) may not accept any remunerated public employment. If this should happen, a permanent vacancy is produced in the office of principal or alternate member, whichever the case may be. Appointments as Minister, Vice-Minister, General Director or Manager of Autonomous or Semi-autonomous Entities and Diplomatic Agent are exceptions. Acceptance of any of these positions cause a temporary vacancy for the time in which the office is held. Holding the position of teacher or professor in an official or private center of education is compatible with the office of Assembly member.

Article 157

Assembly members shall receive emoluments as provided by law which shall be paid by the National Treasury, but an increase in such emoluments shall not become effective until after the National Assembly term in which it was approved has expired.

Article 158

Assembly members may not themselves, or through other parties, make any contracts with State entities, or with institutions or businesses related to the latter, nor accept from anyone authority to conduct negotiations with these entities, institutions or businesses.

The following cases are excluded:

1. When a member makes personal or professional use of public services or performs current operations of the same nature with institutions or entities affiliated with the State;
2. When contracts awarded through public bidding exist between institutions or entities mentioned in this Article and non-shareholder companies in which a member is a partner, provided that he/she has become a partner prior to his/her election;
3. When contracts, awarded with or without public bidding, are concluded with such institutions or entities by shareholder companies in which one or more members do not hold more than twenty percent (20%) of the total shares;
4. When a member acts in his/her capacity as a lawyer before a judicial body outside the session period or with authorization granted by the plenary of the National Assembly during the session period.

Article 159

Legislative functions of the Nation are vested in the National Assembly and consist in issuing laws necessary for the fulfillment of the purposes of the performance functions, of the State declared in this Constitution, and especially for the following:

1. To issue, modify, amend or repeal national codes;
2. To issue a general law covering salaries proposed by the Executive Branch;
3. To approve or disapprove, before ratification, treaties and international agreements negotiated by the Executive Branch;
4. To participate in the approval of a National Budget according to that which is established in Title IX of this Constitution;

5. To declare war and to empower the Executive Branch to negotiate peace;
6. To declare amnesty for political offenses;
7. To establish or restate the political division of national territory;
8. To determine the standard, weight value, form, type, and denomination of the national currency;
9. To decide upon the use of national property for public purposes;
10. To establish taxes, duties, revenues, and official monopolies to pay for public services;
11. To issue general or specific standards which apply to the Executive Branch, Autonomous and Semi-autonomous Entities, State and Mixed Enterprises, when, with respect to the latter, the State has administrative, financial or investment control, for the following purposes: to negotiate and contract Government loans, to organize public credit; to recognize (acknowledge) the National debt and to arrange for its servicing; to set and modify tariffs, rates and other provisions concerning the management of customs;
12. To determine as proposed by the Executive Branch, the structure of the national administration, through the creation of Ministries, Autonomous and Semi-autonomous Entities, State Enterprises and other public institutions, and to distribute among them the functions and transactions of the Administration with the purpose of ensuring the effectiveness of administrative performance;
13. To organize public services established in this Constitution, to issue, or authorize articles of incorporations and by laws for mixed economy companies, and organic laws of industrial or commercial State Enterprises, as well as to issue standards corresponding to the careers described in Title XI;
14. To issue standards relative to the execution of contracts in which the State, or any of its Entities or Enterprises, is a part of, or has interest in;
15. To approve or disapprove contracts in which the State or one of its Entities takes part, or has an interest in if such contracts' negotiation have not been regulated previously in accordance with numeral 14 herein or if some contractual stipulation does not conform to the respective authorization law;
16. To grant the Executive Branch, when it so requests, and when the need exists, precise extraordinary powers that shall be exercised during the National Assembly recess by means of Decree Laws. The law which confers such powers shall express specifically the matters and purposes that shall be the object of the Decree Laws and shall not include the matters mentioned in numerals 3, 4, and 10 of this Article, nor the development of fundamental guarantees, suffrage, political party regulations and specification of crimes and punishments. The extraordinary powers law shall expire when the next ordinary session of the National Assembly begins. Every Decree Law that the Executive Authority issues in the exercise of powers that are conferred upon it, must be submitted to the Legislative Branch, so that the latter may legislate upon the matter, in ordinary session, immediately following promulgation of the respective Decree-Law. The Legislative Branch shall have the power at all times, and on its own initiative, to repeal, amend, or add to, without limitation as to the subject matter, the Decree-Laws that have been issued;
17. To determine and approve the basic rules of its proceedings.

Article 160

It is the judicial function of the National Assembly to consider the accusations or charges lodged against the President of the Republic and the Justices of the Supreme Court, and to pass judgment on them, should the occasion arise, for acts harming the proper functioning of

the public authorities (libre funcionamiento del poder público) or violating this Constitution or the laws performed in the exercise of their functions.

Article 161

The National Assembly has the following administrative functions:

1. To examine the credentials of its own members and decide whether or not the credentials are in the form prescribed by law;
2. To accept or reject the resignation of the President and Vice President of the Republic;
3. To give permission to the President of the Republic, when he/she asks for it, to leave the national territory in accordance with the provisions of this Constitution;
4. To approve or disapprove appointments of Justices to the Supreme Court, of the Attorney General of the Nation, of the Solicitor General of the Administration, and of others that are made by the Executive Branch and which under this Constitution or under the law require approval by the National Assembly. The officials who require approval may not assume their functions before they have been approved;
5. To appoint the Comptroller General of the Republic, the Deputy Comptroller, the Ombudsman, the Justice of the Electoral Tribunal and his/her alternate in accordance with this Constitution;
6. To appoint the permanent committees of the National Assembly and investigating committees on any matter of public interest in accordance with this Constitution and its internal rules for the information of the plenary so that it may take the measures which it considers appropriate;
7. To adopt votes of censure against Ministers of State when they, in the opinion of the National Assembly, are responsible for offenses or illegal acts, or for grave errors that have caused damage to the interests of the State. In order that the vote of censure may be taken it must be proposed in writing six days before its discussion by no less than half of the members, and be approved by the vote of two thirds of the Assembly. The law shall establish the appropriate sanction;
8. To examine and approve or determine the responsibilities regarding the general account on the budget which the Executive submits to it, with the concurrence of the Comptroller General of the Republic. To this end, the competent minister shall personally submit the general account on the Budget in March of each year. The internal rules of the National Assembly shall establish the provisions concerning the appearance of the minister and the vote on the Budget account submitted by the Executive Branch;
9. To ask or request officials that the Legislative Branch appoints or confirms, the Ministers of State, the general directors or managers of all autonomous and semiautonomous entities, decentralized organizations, industrial or commercial state enterprises, as well as mixed enterprises referred to in numeral 11 of Article 153 to submit written or oral reports on matters of their jurisdiction which the National Assembly requires in order to discharge its functions more effectively or to obtain information about the acts of the administration, subject to the provision of numeral of Article 157. When the reports are to be oral, the request should be made at least forty eight hours in advance in the form of a specific written questionnaire. The officials who are asked to give such reports must attend and be heard during the session to which they were summoned, though the debate may be continued in subsequent sessions by decision of the National Assembly. The debate shall not extend to subjects unrelated to the specific questionnaire;

10. To rehabilitate those who have lost inherent rights of citizenship;
11. To approve, amend or repeal the decree on the state of emergency and the suspension of constitutional guarantees in accordance with the provisions of this Constitution.

Article 162

All National Assembly Committee Members shall be elected by means of a system that guarantees the proportional representation of the minority.

Article 163

The National Assembly is prohibited:

1. To issue laws which may be contrary-to-the letter or the spirit of this Constitution;
2. To interfere by means of resolutions in affairs that are the exclusive province of the other Branches of Government;
3. To acknowledge on behalf of the Public Treasury indemnifications that have not been previously declared by competent authorities, and vote appropriations to pay for scholarships, pensions, retirement funds, grants or expenditures that have not been decreed in accordance with pre-existing general laws;
4. To decree acts of proscription (bills of attainder) or persecution against persons or corporations;
5. To incite or compel public officers to adopt determined measures;
6. To make appointments other than those pertaining to it in accordance with this Constitution and by law;
7. To demand from the Executive Branch the communication of instructions given to Diplomatic Agents, or reports from confidential negotiations;
8. To order and authorize other expenditures and programs not designated in the General Budget, except in cases of emergency, expressly declared as such, by the Executive Branch;
9. To delegate any of its functions, except what is provided in Number 16 of Article 153;
10. To adopt votes of confidence, or censure with respect to acts of the President of the Republic.

CHAPTER 2 FORMATION OF LAWS

Article 164

Laws originate in the National Assembly and are divided as follows:

1. Organic laws, which are those issued in fulfillment of Sections 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16 of Article 159;
2. Ordinary laws, which are those issued under the other sections of said Article.

Article 165

Laws shall be proposed:

1. if they are organic laws:
2. if they are ordinary laws

All above mentioned officials shall have the right to speak in the sessions of the National Assembly. The Presidents of the Provincial Councils and the members of the Electoral Tribunal have the right to speak when draft laws introduced by them are discussed.

The organic laws require for their enactment a favorable vote of the absolute majority of the members of the National Assembly in the second and third reading. Ordinary laws need only the approval of a majority of National Assembly members present during the corresponding sessions.

Article 166

No bill shall become the Law if it has not been approved by the National Assembly, in three readings on different days, and approved by the Executive Authority in the manner prescribed by this Constitution.

The first reading of any bill is that given in Committee, dealt with in the preceding Article.

A bill in Committee may proceed to a second reading when the majority of the National Assembly, at the request of one of its members revokes the opinion of the Committee and gives its approval to the bill.

Article 167

Every bill that has not been presented by one of the Committees shall be given by the President of the National Assembly, to an Ad Hoc Committee, for study and discussion within a reasonable time period.

Article 168

When a bill has been approved it will go to the Executive Authority and if he/she approves it, he/she will order it to be promulgated as law. In the opposite case, he/she will return it with a statement of objections, to the National Assembly.

Article 169

The Executive Authority shall be allowed a period of no more than thirty working days to return a bill with objections.

If the Executive Authority does not return the bill with his/her objections within the terms prescribed above, he/she must approve it and order it to be promulgated.

Article 170

A bill vetoed as a whole by the Executive Authority will be returned to the National Assembly for a third reading. If it has been vetoed only in part, it will be returned for a second reading for the sole purpose of considering the objections.

If after consideration of the objections by the National Assembly the bill is approved by the two thirds of the members composing the Assembly, the Executive Branch shall approve it and have it promulgated without having the right to present new objections. If it does not obtain the approval of the required number of members, the bill is definitely rejected.

Article 171

When the Executive Authority vetoes a bill as unconstitutional and the National Assembly by majority vote insists that it be adopted, the bill shall be sent to the Supreme Court for a decision on its constitutionality. If the Supreme Court's judgment declares the bill constitutional, the Executive Authority is obliged to approve it and have it promulgated.

Article 172

If the Executive Authority does not comply with the duty of approving and having the laws promulgated within the periods and according to the terms established by this Title, they shall be approved and ordered to be promulgated by the President of the National Assembly.

Article 173

Every law shall be promulgated within six working days following its approval, and shall be in force from its promulgation, except when the law itself establishes a later date for its entrance into force. The delay in the promulgation of a law has no effect on its constitutionality.

Article 174

Laws may be accompanied by an explanatory statement, and their text shall begin with the following preamble: "The National Assembly DECREES:"

TITLE VI THE EXECUTIVE BRANCH

CHAPTER 1 THE PRESIDENT AND VICE PRESIDENTS OF THE REPUBLIC

Article 175

The Executive Branch is composed of the President of the Republic and the Ministers of State, according to the provisions of this Constitution.

Article 176

The President of the Republic exercises his/her powers alone, or with the participation of the respective Minister, or with all of the Ministers in the Cabinet Council, or in any other way determined by this Constitution.

Article 177

The President of the Republic shall be elected in a popular direct election by a majority of votes for a term of five years. Together with the President there shall be elected, in the same manner and for the same term, a Vice-President who shall replace the President during his or her absence in accordance with the provisions of this Constitution.

Article 178

The citizen who has been elected President or Vice-President of the Republic may not be elected for the same office in the two Presidential terms immediately following.

Article 179

In order to be eligible as President or Vice-President of the Republic, it is necessary:

1. To be Panamanian by birth;
2. To have reached thirty-five years of age.

Article 180

Nobody who has been sentenced by enforceable decision of a court of law to prison for five or more years for a premeditated offense may be elected President or Vice-President of the Republic.

Article 181

The President and the Vice-President of the Republic shall take office before the National Assembly on the first day of July following the elections and shall take the oath of office in these words: "I swear to God and to the Country to comply faithfully with the Constitution and the laws of the Republic."

A citizen who professes no religious belief may dispense with the invocation to God in the oath.

Article 182

If for any reason the President or the Vice-President of the Republic cannot take office before the National Assembly, they shall do so before the Supreme Court of Justice; if this is not possible, before a Notary-Public, failing this, before two competent witnesses.

Article 183

The President of the Republic may exercise the following functions by himself/herself:

1. To appoint and remove freely the Ministers of State;
2. To coordinate the work of the Administration and Public establishments;
3. To supervise the preservation of public order;
4. To adopt the means necessary for the National Assembly to meet on the day designated by this Constitution, or by a Decree convoking the Assembly to extraordinary sessions;

5. To submit, at the beginning of each Legislature in the first day of ordinary sessions, a message relative to the affairs of the Administration;
6. To veto bills that he/she considers to be improper or unconstitutional;
7. To invalidate orders or provisions issued by a Minister of State according to Article 186;
8. To exercise all other powers granted him/her by this Constitution or by law.

Article 184

The following functions shall be exercised by the President of the Republic with the participation of the respective Minister:

1. To approve and promulgate the Laws, obey them and to see that they are faithfully executed;
2. To appoint and remove the Directors and further members of the police services and to make use of this service;
3. To appoint and freely remove the Governors of the Provinces;
4. To inform the Legislative Branch of the vacancies produced in the offices which the latter must fulfill;
5. To supervise the collection and administration of the national revenues;
6. To appoint, in accordance with the provisions of Title XI, the persons who are to hold national offices or positions, whose provision does not correspond to other office or entity;
7. To send to the Legislative Branch, within the first month of the first annual session, the draft of the General Budget, unless the date of his/her inauguration coincides with the beginning of the said session. In this case, the President of the Republic shall accomplish this task within the first forty days of the same session;
8. To enter into administrative contracts for the performance of services and the execution of public works, in accordance with the provisions of this Constitution and the Law;
9. To direct foreign relations, to negotiate Treaties and international Agreements, which shall be submitted to the consideration of the Legislative Branch and authorize and to assign and receive diplomatic and consular agents;
10. To direct, regulate and inspect services in accordance with the provisions established in this Constitution;
11. To appoint the Chiefs, Managers and Directors of autonomous, semi-autonomous public entities and States' entities, as provided by the respective Laws;
12. To decree pardons for political offenses, reduce penalties and grant conditional freedom to common crimes convicts;
13. To grant promotions to members of the police service pursuant to the roster and the corresponding legal provisions;
14. To regulate the Laws requiring it for its better compliance, without deviating, in any case, from its text nor from the spirit thereof;
15. To grant to nationals requesting it, permit to accept positions in foreign governments, in the case where it is necessary in accordance with the Law;
16. To exercise the other functions granted by this Constitution and by Law.

Article 185

Powers exercised by the Vice-President of the Republic are:

1. To take the place of the President of the Republic in his/her temporary absence;
2. To participate with the right to speak, but not to vote in Cabinet Council meetings;
3. To advise the President of the Republic on matters determined by the latter;
4. To assist and represent the President of the Republic in public acts and national or international congresses, or on special missions assigned by the President.

Article 186

No acts of the President of the Republic, except those which may be exercised by him/her alone, will have any validity or effect, unless countersigned by the respective Minister of State, who by this action renders himself responsible thereof.

Orders and resolutions that a Minister of State issues on the instructions of the President of the Republic, are obligatory, and shall only be invalidated by the latter when they are against the Constitution or law, without prejudice to legal remedies.

Article 187

The President and Vice-President of the Republic may be absent from their offices with permission granted by the Cabinet Council for a period not exceeding ninety days. For an absence of more than ninety days permission is required from the National Assembly.

During a President's leave of absence the Vice-President shall take his/her place and shall have the title of Acting President.

When for any reason the Vice-President cannot fulfill the duties of the absent President, the functions of President shall be discharged by one of the Minister of State shall be elected by the latter through majority vote; he/she must be qualified to become President and shall be called the Minister Acting as President of the Republic.

In the delays defined in this and the following Articles holidays shall be included.

Article 188

The President of the Republic may be absent from the national territory, on each occasion, without having to ask for leave from office:

1. For a period up to ten days without need for any authorization at all;
2. For a period exceeding ten but not thirty days with authorization from the Cabinet Council;
3. For a period exceeding thirty days as authorized with authorization from the National Assembly.

If the President is absent for more than ten days, the First Vice-President shall take charge of the presidential functions; in the absence of the latter, a Minister of State shall take over, in accordance with the provisions of the Constitution. Whoever takes charge shall be called Acting President of the Republic.

Article 189

In the case of permanent absence of the President of the Republic, the Vice-President will take over the presidential functions for the rest of the remaining term.

When the Vice-President assumes the office of President, one of the Ministers of State who must have the necessary qualifications for Vice-President and shall be elected by their majority vote shall take over the Vice-Presidency.

When for any reason the permanent absence of the President cannot be filled by the Vice-President, one of the Ministers of State who must have the necessary qualifications for President shall assume the office after having been elected by majority vote of the others.

He/she shall be called Minister Acting as President of the Republic.

When the permanent absence of the President and Vice-President occurs at least two years before the expiration of the presidential term, the Minister Acting as President shall call an election for President and Vice-President within four months, in a manner that allows those elected to assume their functions for the rest of the remaining term within six months after the election has been called. The relevant decree shall be issued no later than eight days after the Minister Acting as President has taken office.

Article 190

Emoluments assigned by law to the President and Vice-Presidents of the Republic may be modified, but the change shall enter into force in the following Presidential term.

Article 191

The President and the Vice-President of the Republic are responsible only in the following cases:

1. For exceeding their constitutional powers;
2. For acts of violence or coercion during the electoral process; for impeding the meeting of the National Assembly, for blocking the exercise of its functions or of the functions of the other public organizations or authorities that are established by this Constitution;
3. For offenses against the international personality of the State or against the public administration.

In the first and second case, the penalty shall be removal from office, and disqualification to hold public office for a period fixed by law. In the third case ordinary law shall apply.

Article 192

There may not be elected President of the Republic:

1. A citizen who, called to exercise the Presidency because of permanent absence of the President, has held the position at any time during the three years immediately preceding the term for which the election is held;

2. Relatives within the fourth degree of consanguinity or second degree of marital relations of a President of the Republic who has held office in the term immediately preceding, or such relatives of the citizen referred to in numeral 1 of this Article.

Article 193

The following persons may not be elected Vice-Presidents of the Republic:

1. The President of the Republic currently serving his/her term of office when the election for Vice-President of the Republic is for the term immediately following said term;
2. Relatives within the fourth degree of consanguinity or the second degree of marital relations of the President of the Republic, for the term following that in which said President has held office;
3. A citizen who, as Vice-President of the Republic, has held the Presidency in a permanent manner at any time during the three years preceding the term for which the election is being held;
4. Relatives within the fourth degree of consanguinity or second degree of marital relations of the citizen mentioned in the preceding section, for the term immediately following that in which that citizen has held the Presidency of the Republic;
5. Relatives within the fourth degree of consanguinity or the second degree of marital relations of the President of the Republic.

CHAPTER 2 THE MINISTERS OF STATE

Article 194

The Ministers of State are Chiefs of their respective branches and cooperate with the President of the Republic in the exercise of their functions in accordance with this Constitution and the law.

Article 195

The distribution of the business of State according to its affinities, among the Ministers of State will be effected in accordance with Law.

Article 196

Ministers of State must be Panamanian by birth, must have reached twenty-five years of age and must not have been sentenced to a prison term of five or more years for a premeditated offense by enforceable decision of a court of law.

Article 197

No person may be appointed Minister of State who is a relative of the President of the Republic within the fourth degree of consanguinity or the second degree of marital relations, or by person of those relationships be members of the same Cabinet Council.

Article 198

Each Minister of State shall personally submit to the National Assembly an annual report or statement concerning the state of affairs of his/her Ministry and such reforms as he/she may deem expedient to introduce.

CHAPTER 3 THE CABINET COUNCIL

Article 199

The Cabinet Council is the meeting of the President of the Republic, who shall chair it, or of the Acting President with the Vice-President of the Republic and the Ministers of State.

Article 200

The Cabinet Council has the following functions:

1. To act as an advisory body in matters submitted to it by the President of the Republic, and in those matters in which it has to heard by virtue of the Constitution or the law;
2. To approve, with the President of the Republic, appointments of Justices of the Supreme Court, the Attorney General of the Nation, the Solicitor General of the Administration, and their alternates, subject to the approval of the National Assembly;
3. To approve the execution of contracts, the negotiation of loans and the transfer of personal or real national property in the manner prescribed by law;
4. To approve jointly with the President the transfer or submission by the latter of disputes to which the State is a party to arbitration; this requires the favorable opinion of the Attorney General of the Nation. This provision does not apply to arbitration conventions which the State has joined by contractual agreement; they are self-executing;
5. To issue a decree, under the joint responsibility of all its members, declaring a State of Emergency, and the suspension of pertinent Constitutional guarantees, in accordance with Article 51 of this Constitution;
6. To request from public officials, government entities and mixed enterprises, those reports deemed necessary or appropriate for the dispatch of affairs it must consider, and to summon said officials and representatives of said entities and enterprises, to give oral reports;
7. To negotiate and contract, loans, organize public credit, to acknowledge the National Debt and arrange for its servicing, to set and modify tariffs, rates, and the other provisions concerning Custom Regulations, subject to the standards set by law, in accordance with numeral 11 of Article 153 of this Constitution. Whereas the Legislative Branch has not issued a law or laws that contain the corresponding general norms, the Executive Branch may exercise these powers and will send to the Legislative Branch, copies of all the Decrees issued in exercise of this power;
8. To issue regulations for its internal government and to exercise the rest of its functions as established by this Constitution, or by law.

TITLE VII THE ADMINISTRATION OF JUSTICE

CHAPTER 1 THE JUDICIAL BRANCH

Article 201

The Administration of Justice is free, expeditious, and uninterrupted. The pleadings and action of all Court proceedings shall be recorded on simple paper, and shall not be subject to any tax.

Vacations of the Justices, Judges or Judicial Branch employees shall not interrupt the continuous functioning of the respective Tribunals.

Article 202

The Judicial Branch is composed of the Supreme Court of Justice, tribunals, and such other lower courts as the law may establish. Justice may also be administered by arbitral jurisdiction in accordance with the provisions of the law. The arbitration tribunals are entitled to consider and decides issues concerning their own jurisdiction.

Article 203

The Supreme Court of Justice shall be composed of the number of Justices determined by law, to be appointed by decision of the Cabinet Council, subject to the approval of the Legislative Branch, for a ten year term. If the post of a Justice becomes permanently vacant during the course of a term, a new Justice shall be appointed to serve the remainder of said term.

Each Justice has an alternate (suplente), appointed in the same manner as the principal Justice and for the same term who shall replace him in the case of his absence in accordance with the law. Only career judges active in the Judicial Branch may be designated as alternates.

Every two years, two Justices shall be appointed, except in cases when, in view of the number of Justices currently serving on the Court, more than two or less than two Justices are appointed. When the number of Justices is increased, the necessary appointments to this effect shall be made and the respective law shall make the appropriate provisions in order to maintain the principle of successive appointments.

May not be appointed as Justice of the Supreme Court:

1. Persons who are exercising or have exercised the functions of principal or alternate member of the National Assembly during the constitutional term currently under way;
2. Persons who are exercising or have exercised command and jurisdictional functions in the Executive Branch during the constitutional term currently under way. The Court shall be divided into Chambers, each with three permanent Justices.

Article 204

In order to be eligible as Justice of the Supreme Court it is necessary:

1. To be Panamanian by birth;
2. To have reached thirty-five years of age;

3. To be in full possession of civil and political rights;
4. To hold a university degree in law and to have the degree registered in the office prescribed by law;
5. To have completed a ten year period of service either in the profession of lawyer or in a position in the Judicial Branch, the Public Ministry, the Electoral Tribunal, or the Office of Ombudsman for which a university degree in law is required, or to have been a professor of law at university level.

The validity of credentials for Justices of the Supreme Court which were issued in accordance with previous constitutional provisions is recognized.

Article 205

A person who has been convicted of a crime through a final sentence rendered by a Court of Law shall not hold office in the Judicial Branch.

Article 206

Among the constitutional and legal functions of the Supreme Court of Justice shall be the following:

1. To guard the integrity of the Constitution. For this purpose, and after hearing the opinion of the Attorney General of the Nation or the Solicitor General of the Administration, the Court in plenary session shall try and rule on cases concerning the unconstitutionality of laws, decrees, decisions, resolutions and other acts that for reasons of substance or form are challenged before it, by any person.
2. When during the proceedings of a case, the public official entrusted with the administration of Justice considers, or it is observed by one of the parties, that the legal or regulatory provision applicable to the case is unconstitutional, he/she shall submit the question to the cognizance of the Court in plenary session, except when the provision has already been the subject of a decision, and shall order a continuance of the case, until the question of constitutionality is decided.
3. The parties only shall be able to formulate such observations one time during the process of a case;
4. To exercise contentious-administrative jurisdiction (administrative litigation) over acts, omissions, faulty or deficient public services, resolutions and orders or provisions which are executed, adopted, issued, or committed in the performance or duties, or on the pretext of performing them, by National, Provincial, and Municipal Government Employees, as well as those of Autonomous and Semi-autonomous Public Entities. In such cases, the Supreme Court of Justice, after hearing the opinion of the Solicitor General of the Administration, shall have the power to annul the acts that have been accused of unlawfulness, reestablish the private rights violated, enact new provisions in lieu of those opposed, and render a judgment with regard to the meaning, applicability or legal validity of an administrative act. Persons affected by the act, resolution, order or decision in question may resort to contentious-administrative jurisdiction; and any natural or juridical person, domiciled in the country may exercise popular action.
5. The decisions issued by the Supreme Court in exercise of the powers conferred on it by this Article are final, definitive and binding, and must be published in the Official Gazette;

6. To investigate and try the members of the National Assembly. In order to carry out the investigation, the plenary of the Supreme Court of Justice shall appoint an investigating officer.

Article 207

Neither writ of unconstitutionality, nor for constitutional guarantees (amparo) shall be admitted against the judgments of the Supreme Court of Justice or its Chambers.

Article 208

The incumbent Justices and Judges shall not occupy any other public position except that of Professor of Law in an educational institution at University level.

Article 209

In the Court of Appeals and Lower Courts established by law, Justices shall be appointed by the Supreme Court of Justice and Judges shall be appointed by their immediate superiors. Subordinate personnel shall be appointed by the respective Tribunal or Judge. All these appointments shall be made according to the Judicial Career, pursuant to Title XI hereof.

Article 210

Justices and Judges are independent in the performance of their functions and are subject only to the Constitution and to law. But, lower courts are obliged to abide by and comply with the decisions that superior courts may issue on revoking or reversing, by virtue of legal proceedings, decisions rendered by the former.

Article 211

Justices and Judges will not be discharged from office, nor suspended or transferred from the exercise of their functions, except in cases and with the formalities established by law.

Article 212

Officials in the Judicial Branch shall not participate in politics, except to vote in elections, nor practice law, nor commerce, nor hold any other remunerated position, except that which is provided in Article 208 hereof.

Article 213

Salaries and allowances for Justices of the Supreme Court shall not be less than those of the Ministers of State. All elimination of positions in the Judicial Branch shall be carried out upon the expiration of the corresponding term.

Article 214

The Supreme Court of Justice and the Attorney General of the Nation shall formulate the respective Budgets of the Judicial Branch and the Public Ministry, and shall send them, at the proper time, to the Executive Branch, to be included in the projected General Budget of the

public sector. The President of the Court and the Attorney General shall support all stages of their respective projected Budgets.

The Budgets of the Judicial Branch and of the Public Ministry shall not, together, be less than two percent (2%) of the current Central Government income.

However, when this amount is more than necessary to cover fundamental necessities proposed by the Judicial Branch and the Public Ministry, the Executive Branch shall include the excess in other areas of expenditures or investments in the projected Budget of the Central Government, in order that the National Assembly determine whatever is proper.

Article 215

Procedural laws that are approved shall be based, among others, on the following principles:

1. Simplification of procedures, expeditiousness and absence of formalism;
2. The object of the procedure is to recognize the rights granted by substantive law.

Article 216

Justices and Judges may not be detained nor arrested except by virtue of a written order from a Judicial Authority competent to judge them.

Article 217

The means of giving advice and legal defense to those who, because of their economic situation cannot pay for same, shall be established by law, whether from an official organization created for this purpose, or through professional associations of lawyers recognized by the State.

Article 218

Trial by jury is [hereby] established. Cases to be adjudicated by this system shall be determined by law.

CHAPTER 2 THE PUBLIC MINISTRY

Article 219

The Public Ministry shall be conducted by the Attorney General of the Republic, the Solicitor General of the Administration, by the District and Municipal Attorneys, and such other officers as the law may designate. Officials of the Public Ministry may exercise by delegation the functions of the Attorney General, in accordance with the provisions of the law.

Article 220

Functions of Officers of the Public Ministry are:

1. To defend the interest of the Nation, or of the Municipality;
2. To promote the compliance or execution of laws, court decisions, and administrative orders;
3. To supervise the official conduct of public officials and employees and to take care that all completely discharge their duties;
4. To prosecute offenses and violations of Constitutional or legal provisions;
5. To serve as legal advisors to the Administrative Officers; and
6. To exercise the other functions established by law.

Article 221

The same qualifications are required to be Attorney General of the Nation and Solicitor General of the Administration as are required to be a Justice of the Supreme Court, and both shall be appointed for a term of ten years.

Article 222

The special functions of the Attorney General of the Republic are:

1. To arraign before the Supreme Court of Justice those officials whose trials correspond to that body;
2. To see to it that the other Officers of the Public Ministry faithfully discharge their duties and to take appropriate action to hold them responsible for offenses or crimes committed by them.

Article 223

The same provisions are effective with respect to the Officers of the Public Ministry as are established with respect to Judicial Officers by Articles 202, 205, 207, 208, 209 and 213.

Article 224

The Attorney General of the Nation and the Solicitor General of the Administration shall be appointed in accordance with the same procedures and subject to the same prohibitions which apply to the Justices of the Supreme Court.

The temporary absence of any of the prosecutors will be filled by an official of the Public Ministry as Acting Prosecutor who has the same qualifications as the respective Prosecutor and is designated by him/her as temporal replacement.

District and Municipal Attorneys shall be appointed by their immediate superior.

Subordinate employees shall be appointed by the respective District or Municipal Attorney. All these appointments shall be made in conformity with the provisions governing judicial careers.

TITLE VIII MUNICIPAL AND PROVINCIAL SYSTEMS

CHAPTER 1 BOROUGH REPRESENTATIVES

Article 225

Each Borough shall elect a Representative and his/her alternate, by direct popular vote for a five years term. District Representatives may be re-elected indefinitely.

Article 226

In order to be eligible as a Borough Representative it is necessary:

1. To be Panamanian by birth or to have acquired Panamanian nationality in a final manner ten years before the election date;
2. To be eighteen years of age;
3. Not to have been sentenced for a premeditated offense to a prison term of five years or more by enforceable decision of a court of law;
4. To be a resident in the Community which he/she represents for at least the year immediately preceding the election.

Article 227

A Borough Representative shall lose his/her office for the following reasons:

1. A voluntary change of residence to another Community;
2. Conviction by a Court of Law for a criminal act;
3. Termination of the mandate ("recall"), in accordance with regulations established by law.

Article 228

In the case of the temporary or permanent absence of the principal Borough Representative, his/her alternate shall take charge. In case of a permanent absence of the principal and alternate Borough Representatives an election must be held within the following six months to elect a new Borough Representative and his/her/her respective alternate.

Article 229

Borough Representatives shall not be appointed to remunerated public positions in their respective municipalities. An infraction of this precept will nullify the appointment.

An appointment to the Judicial Branch, the Public Ministry, or Electoral Tribunal will produce a permanent vacancy in the functions of Borough Representative, and the designation as a Minister of State, Chief of an autonomous or semi-autonomous institution or diplomatic mission, or Governor of a Province a temporary one.

Article 230

Borough Representatives are not legally responsible for opinions stated in the exercise of their functions as members of the Provincial Council.

Article 231

Borough Representatives shall receive remuneration paid by the national or municipal treasury, as determined by law.

CHAPTER 2 THE MUNICIPAL SYSTEM

Article 232

The municipality is the autonomous political organization established within a district.

The municipal organization shall be democratic and will respond to the essentially administrative character of local government.

Article 233

As fundamental entity of the political-administrative structure of the State with its own democratic and autonomous self-government it is the duty of the municipality to provide the services and carry out the public works determined by law, to structure the development of its territory, to promote citizen participation as well as the cultural and social improvement of its inhabitants and to fulfill the other functions assigned to it by the Constitution and the law.

The Executive Branch guarantees the achievement of these purposes, within the framework of the process of decentralization of public competences and functions which the Panamanian State shall promote and carry out on the basis of the principles of autonomy, subsidiarity (subsidiaridad), equity, equality, sustainability and efficiency, and taken into account the territorial size, population and basic needs of the municipalities.

The law shall determine the manner in which the public administration is decentralized and the transfer of powers and resources for the execution of this provision.

Article 234

The municipal authorities have the duty to comply with, and to enforce compliance with the Constitution and laws of the Republic, the decrees and orders of the Executive Branch, and the decisions of the ordinary or administrative Courts of Justice.

Article 235

No Municipal Civil Servant may be suspended or discharged by the National Administrative Authorities.

Article 236

The State shall supply municipal management when the latter may be insufficient in cases of epidemic, grave disturbance of the public order, or other reasons of general interest, in the manner prescribed by law.

Article 237

In each district there shall be a body called the Municipal Council, composed of all Borough Representatives that have been elected within said District.

If, in any district there exists less than five Boroughs, Councilors shall be elected by direct popular vote, according to the procedure and systems of proportional representation established by law, so that there are five members in a Municipal Council.

The Council shall designate one President and one Vice-President from among its members. The latter shall take the place of the former, in his/her/absence.

Article 238

By popular initiative and through the vote of the respective Councils, two or more municipalities may request their incorporation into a single one, or into an association, for reasons of common benefit. Corresponding procedures shall be established by law.

The municipalities of a province with like requisites may unify their regime, establishing a common treasury and fiscal administration. In this case there may be created an Inter-Municipal Council whose composition shall be determined by law.

Article 239

Citizens have the right of initiative and referendum in the matters entrusted to the Councils.

Article 240

The law may establish, in accordance with economic capacity and human resources of the municipalities, which of them shall be governed by a system of expert commissioners to render those services that the law itself may establish.

Article 241

In each District there shall be a Mayor (alcalde), who is the Chief of the Municipal Administration, and a Deputy Mayor, elected by direct popular vote for five year terms.

Article 242

Without prejudice to other functions which the law may assign to it, the Municipal Council is competent to implement, modify, amend and repeal municipal decisions and resolutions pertaining to:

1. The approval or rejection of the municipal budget for revenues and expenditures drafted by the office of the Mayor;
2. The determination of the structure of the municipal administration upon proposal by the Mayor;
3. The control of the municipal administration;

4. The approval or rejection of the conclusion of contracts about concessions and other forms of provision of public services, and those concerning the construction of municipal public works;
5. The approval or elimination of taxes, contributions, fees and levies in accordance with the law;
6. The creation or abolition of public services of the municipality;
7. The appointment, suspension or dismissal of municipal officials who work in the Municipal Council;
8. The approval of the appointment to the post of Municipal Treasurer made by the Mayor;
9. Matters related to the powers of the municipality according to the law.

Municipal decisions have the force of law within the perspective municipality.

Article 243

The Mayors shall have the following functions:

1. To submit bills, especially of the budget for revenues and expenditures;
2. To put in order the expenditures of the local administration, bringing them into conformity with the budget and the accounting regulations;
3. To appoint and dismiss municipal officials whose nomination does not correspond to another authority, subject to the provisions of Title XI;
4. To promote progress of the municipal community and to monitor the fulfillment of its officials' duties;
5. To discharge the other functions assigned to him/her by law.

Article 244

Mayors shall receive remuneration for their services which shall be paid from the national or municipal Treasury, in accordance with the provisions of the law.

Article 245

Municipal taxes are those which have no effect outside of the District, but exceptions shall be established by law which specify taxes as Municipal notwithstanding that they so originate. On this basis, the proper separation of National revenues and expenditures and those that are Municipal shall be established by law.

Article 246

The following shall be sources of Municipal income apart from those provided by law in accordance with the preceding Article:

1. Income from public lands or properties or from Municipal assets;
2. Fees for the use of goods or services;
3. Duties on public performances;
4. Taxes on the sale of alcoholic beverages;
5. Duties on the extraction of sands, quarried stone, rock, clay, coral, gravel and limestone;

6. Fines imposed by Municipal Authorities;
7. State subsidies and grants;
8. Duties, on the extraction of woods, and on lumbering;
9. Tax on the slaughtering of bovine and porcine livestock which shall be paid in the Municipality of the animal's origin.

Article 247

Municipalities shall be able to create Municipal and/or mixed enterprises for the development of properties or services.

Article 248

The State shall not grant exemptions of Municipal duties, charges or taxes. Municipalities alone shall do so by means of a Municipal Resolution.

Article 249

Municipalities shall contract loans with prior authorization of the Executive Branch.

Procedure shall be determined by law.

Article 250

There shall be a Borough Junta (Junta Communal) in each Borough that shall promote the development of the community and monitor the solution of its problems.

Borough Juntas shall exercise functions of voluntary conciliation, and others designated by law.

Article 251

The Borough Junta shall be composed of the Borough Representative who shall chair it and four other Borough residents chosen in the manner determined by law.

Borough Juntas shall be able to request the cooperation and advice of National or municipal officials, and of private persons.

Special rules for Community Juntas that shall function in communities which are not administratively constituted in municipalities or Boroughs shall be established by law.

CHAPTER 3 THE PROVINCIAL SYSTEM

Article 252

There shall be in each Province a Governor whose free appointment and removal shall be by order of the Executive Authority, and who shall represent the latter within his/her jurisdiction. Each Governor shall have an alternate, also designated by the Executive Branch.

Functions and duties of Governors shall be determined by law.

Article 253

Each Province shall include the number of districts provided by law.

Article 254

A Provincial Council shall function in each Province, made up of all Precinct Representatives of the respective Province, and other members determined by the law that regulates the organization and operation of the Council. Such members shall have only the right of voice. Each Provincial Council shall elect a President and Board of Directors from among the respective Precinct Representatives, and shall issue the rules for its internal proceedings. The Governor of the Province, and Mayors of the Districts may participate with right of voice at Provincial Council meetings.

Article 255

Along with others designated by law, the Provincial Council has the following duties:

1. To act as an advisory body, to the Governor of the Province, to Provincial Authorities, and to National Authorities in general;
2. To request reports on matters concerning the Province from National, Provincial and municipal officials. For these purposes the provincial and municipal officials are obliged, when the Provincial Council so requests, to appear personally before it, and give oral reports. National Officers may submit written reports;
3. To prepare each year for the consideration of the Executive Branch, the plan for public works, investments, and services of the Province, and to supervise, the execution of same;
4. To supervise the performance of public services offered in the respective Province;
5. To recommend to the National Assembly changes considered appropriate in political divisions of the Province;
6. To request from National and Provincial Authorities studies and programs of interest to the Province.

Article 256

The Provincial Council shall meet once a month, in ordinary session, in the Capital of the Province or at a place in the Province determined by the Council, and in extraordinary sessions when such are convoked by the President, or at the request of no less than one-third of its members.

TITLE IX PUBLIC FINANCES

CHAPTER 1 PROPERTIES AND RIGHTS OF THE STATE

Article 257

The following belong to the State:

1. Properties existing in the territory that belonged to the Republic of Colombia;
2. Rights and actions which the Republic of Colombia possessed as owner, inside or outside of the Country, by reason of sovereignty that it exercised over the territory of the Isthmus of Panama;
3. Properties, revenues, estates, securities, rights, and actions which pertained to the extinct Department of Panama;
4. Vacant and free lands;
5. The subsoil, which could be exploited by State or Mixed enterprises or may be the object of concessions or contracts for the exploitation of its resources, as established by law. Mining rights granted and not exercised within the period and conditions fixed by law, will revert to the State;
6. Salt works, mines, underground and thermal waters, hydrocarbons, quarries, and deposits of all kinds, which may not be the object of private appropriation but may be exploited directly by the State, through State or Mixed enterprises, or to be the subject of concessions, or other contracts for operation by private enterprises. Regulation of all matters pertaining to the various forms of exploitations shall be determined by law;
7. Historical monuments, documents and other assets which are evidences of the past history of the Republic. The procedure by which they will revert to the State when held by private parties under any title shall be determined by law;
8. Archaeological sites and objects, the exploration, study and restoration of which shall be regulated by law.

Article 258

The following belong to the State and are of public use and therefore may not be the object of private appropriation:

1. Territorial sea, lake and river waters, the shores and banks of same and of navigable rivers and ports and estuaries. All these properties are of free and common benefit, subject to the regulations established by law;
2. Lands and waters destined for public services and all kinds of communications;
3. Lands and waters designated, or that the State may designate, for public irrigation services, hydroelectric production, drainage and aqueducts;
4. Air space, the undersea continental shelf, the bed and subsoil of the territorial sea;
5. All other properties defined by law for public use.

In all cases in which property of private ownership is converted by law into property for public use, the owner thereof shall be compensated.

Article 259

Concessions for the exploitation of the soil, subsoil, forests and for utilization of waters, means of communications or transportation, and for other public service undertakings, shall be inspired by social welfare and public interest.

Article 260

All artistic and historical wealth of the country constitutes the Cultural Heritage of the Republic and will be under the guardianship of the State which may prohibit its destruction, exportation or transmission.

Article 261

The power of issuing money belongs to the State, which may transfer it to official banks of issue in the manner determined by law.

Article 262

There shall not be in the Republic paper money of legal tender.

Article 263

There shall be created and regulated by law official or semi-official banks which function as Autonomous Entities supervised by the State. Subsidiary responsibilities of the State shall be established by law with respect to the obligations assumed by these banks. The banking regime shall be regulated by law.

Article 264

By law, all taxes imposed upon the taxpayer shall be, as far as possible, in direct proportion to his/her economic capacity, subject to the need to receive public funds and protect domestic production.

Article 265

There may be established by law, for revenue purposes, official monopolies on imported articles or those not produced in the country.

Upon the establishment of a monopoly by virtue of which any person is deprived of the right to engage in a lawful business or industry, the State shall compensate in advance those persons or enterprises whose businesses have been expropriated under the terms of this Article.

Article 266

The execution or repair of National works, purchases made from State funds or funds of its Autonomous or Semi-autonomous Entities or of the Municipalities, and the sale or lease of property belonging thereto, shall be effected by public bidding except in the cases specified by law.

Measures shall be established by law to ensure in all bidding the maximum benefit to the State and full justice in the award.

CHAPTER 2 THE GENERAL BUDGET OF THE STATE

Article 267

The Executive Branch is responsible for planning the projected Budget of State and the National Assembly is responsible for its examination, modification, rejection or approval.

Article 268

The Budget shall be annual and shall contain the total investments, revenues and expenditures of the Public, which includes Autonomous and Semi-autonomous Entities and State Enterprises.

Article 269

The Executive Branch will hold budgetary consultation with different dependencies and entities of the State. The Budget Committee of the National Assembly will participate in such consultations.

Article 270

In the Budget planned by the Executive Branch, expenditures shall be balanced with revenues

Article 271

The National Assembly may eliminate or reduce amounts of expenditures provided for in the projected Budget, except those meant for payment of the public debt, in fulfillment of other State contractual obligations and the financing of public investments previously authorized by law.

The National Assembly may not increase expenditures described in the projected Budget, or include a new expenditure without the approval of the Cabinet Council, nor add to total revenues without the agreement of the Comptroller General of the Republic.

If, according to that which is established in this Article, total revenues are increased or portions of expenditures are eliminated or reduced, the National Assembly shall use such available monies for other expenses, or investments, after obtaining approval from the Cabinet Council.

Article 272

If the projected General Budget of State does not receive final approval (by the National Assembly) by the first day of the new Fiscal Year, the Budget as proposed by the Executive Branch shall enter into force, adopted by decision of the Cabinet Council.

Article 273

If the National Assembly rejects the projected General Budget of State, the Budget immediately preceding shall be automatically extended until a new Budget is approved, and also, the amounts in the rejected Budget, designated for the payment of the public debt, fulfillment of other State contractual obligations, and financing public investments previously authorized by law, shall be automatically approved.

Article 274

Any supplementary or extraordinary appropriations, with reference to the present Budget can be requested by the Executive Branch and approved by the National Assembly in the manner designated by law.

Article 275

If at any time of the [budget] year the Executive Branch has reason to believe that the total amount of available income is inferior to the total amount of expenditures authorized in the General State Budget, it shall adopt an expenditure adjustment plan, to be approved in accordance with the provisions of the law.

The adjustments to the budgets of the Legislative and Judicial Branches, the Public Ministry, the Electoral Tribunal, the Office of Ombudsman and the Office of Comptroller General of the Republic will not be superior in percentage points to the adjustment of the General Budget for any of these institutions, and affect the expenditure items indicated by them.

Article 276

The National Assembly shall not issue laws that eliminate or modify those that establish revenues included in the Budget without, at the same time, establishing new revenues in their place or increasing those in existence, with previous information to the General Comptrollership of the Republic about the fiscal efficiency of said Laws.

Article 277

No public payment can be made that has not been authorized pursuant to the Constitution or the Law. Neither can any credit be transferred to an item not provided in the respective Budget.

Article 278

All amounts entered and issued from the public treasury shall be included and authorized in the respective Budget. No entries shall be perceived due to taxes that the law has not established nor there shall be paid any expenses not provided in the Budget.

CHAPTER 3 GENERAL COMPTROLLERSHIP OF THE REPUBLIC

Article 279

There shall be an independent state organism called the Office of Comptroller General of the Republic whose direction shall be entrusted to a public official called the Comptroller, seconded by an Assistant Comptroller, who shall be appointed for the same term as the President of the Republic during which they may be suspended or removed from office only by the Supreme Court of Justice for one of the causes defined by the law. Both shall be appointed in such a manner that they can assume their functions on the first day of January which follows the start of the ordinary presidential term.

In order to be Comptroller and Assistant Comptroller of the Republic it is necessary to be a Panamanian citizen by birth; to have a university degree and thirty-five years or more of age and not to have been sentenced to a prison term of five or more years for a premeditated offence by enforceable decision of a court of law.

Article 280

The following are functions of the General Comptrollership of the Republic, in addition to those stated by the law:

1. To keep national accounts, including those concerning internal and external debts;
2. To investigate and regulate, by means of prior and subsequent control, all management activities with regard to funds and other public properties, in order to ensure their proper performance in accordance with the provisions of the law. The Office of the Comptroller shall determine the cases in which it will exercise prior and subsequent control over management of funds, as well as those in which it will only exercise the latter;
3. To examine, audit and close the accounts of public employees, entities or persons who administer, manage or supervise funds or other public property. Matters related to criminal responsibility fall within the jurisdiction of courts;
4. To conduct inspections and investigations to determine the regularity or irregularity of operations affecting public assets and if appropriate, to present the corresponding complaints;
5. To request from public employees reports on the fiscal management of national, provincial, municipal, autonomous or semi-autonomous public institutions and State enterprises;
6. To adopt and promote the adoption of measures necessary to make effective the credits provided to public entities;
7. To ask for a review of unconstitutionality or illegality, according to the case, of laws and other acts violating the Constitution or the laws which affect public assets;
8. To establish accounting systems for the public entities mentioned in numeral 5 of this Article;
9. To inform the National Assembly and the Executive Branch about the financial state of the public administration and to submit opinions on the feasibility and convenience of providing supplementary or extraordinary appropriations;
10. To direct and compile National statistics;
11. To appoint employees in its departments in accordance with this Constitution and by law;
12. To submit to the Executive Branch and National Assembly an annual report on its activities;
13. To examine the accounts of agents and management personnel, when such accounts are objected to because of supposed irregularities;
14. To submit for judgment of the Audit Tribunal the accounts of public agents and servants when they are subject to objection because of supposed irregularities.

CHAPTER 4 AUDIT TRIBUNAL (TRIBUNAL DE CUENTAS)

Article 281

An audit jurisdiction is established as a national jurisdiction to pass judgment on the accounts of agents and employees managing public funds in cases where objections arise because of supposed irregularities.

The Audit Tribunal shall be composed of three justices who are appointed for a term of ten years in the following manner: one by the Legislative Branch, one by the Executive Branch and the third by the Judicial Branch.

The law shall determine the establishment and functioning of the Tribunal.

TITLE X NATIONAL ECONOMY

ARTICLE 282

The exercise of economic activities corresponds primarily to private parties. But the State will guide, direct, regulate, replace or create such activities in accordance with social need and within the norms of the present Title, for the purpose of increasing National wealth and assuring its benefits to the largest possible number of inhabitants of the country.

The State shall plan economic and social development by means of special sections or departments, the organization and functions of which shall be determined by law.

ARTICLE 283

Measures which shall be established by law to accomplish the purpose dealt with in a preceding Article are:

1. The creation of Commissions of technicians and specialists to study the conditions and the possibilities of all types of economic activities, and to formulate recommendations for developing them;
2. The promotion of the creation of private enterprises that will function in accordance with the recommendations mentioned in the preceding sections, and the establishment of State enterprises and the encouragement of the formation of mixed companies with State participation. State companies shall be established to meet social needs and for public security and the public interest;
3. The establishment of credit and development institutions or other appropriate facilities to serve those engaged in small economic activities;
4. The establishment of theoretical-practical centers for teaching of Commerce, Agriculture, Cattle-raising, Tourism and Arts and Crafts, including the Manual Arts, and for the training of workers and specialized industrial managers.

ARTICLE 284

The State will intervene in any kind of private enterprise, in accordance with the regulations established by law, to ensure social justice to which the present Constitution refers and especially for the following purposes:

1. To regulate, through special institutions, service rates and prices of items of any nature and specially those of basic necessity;
2. To demand proper efficiency in services and adequate quality in articles mentioned in the preceding section;
3. To coordinate services and the production of goods. Articles of basic necessities shall be defined by law.

ARTICLE 285

Panamanian capital must constitute the majority invested in private undertakings of public utility that operate in the country. Exceptions shall be permitted and defined by law.

ARTICLE 286

The State shall create public utility enterprises through Autonomous or Semi-autonomous Entities, and other adequate means. In the same manner, it shall assume ownership, through expropriation and compensation, of public utility enterprises belonging to private persons, if authorized in each case by law, and when necessary for collective welfare.

ARTICLE 287

In areas or regions in which the level of social or economic development so requires, the State may establish Autonomous or Semi-autonomous National, Regional or Municipal Institutions to promote comprehensive development of the section or region. These institutions may coordinate State and Municipal programs in cooperation with Municipal or Inter-Municipal Councils. The organization, jurisdiction, financing and supervision of fiscal duties of such development institutions shall be regulated by law.

ARTICLE 288

It is the duty of the State to promote and supervise Cooperatives, and for this purpose it shall create those institutions that may be necessary. A special rule for their organization, functioning, recognition and registration, which shall be free, shall be prescribed by law.

ARTICLE 289

The State shall regulate the suitable use of land in accordance with its potential use and National development programs, in order to yield optimum benefits.

ARTICLE 290

No foreign Government nor foreign official or semi-official entities or institutions may acquire title over any part of the National territory, except for Embassies in accordance with the provisions of the law.

ARTICLE 291

No foreign natural or juridical person, nor National juridical person having foreign capital, entirely or in part, may acquire ownership of National or private lands situated at a distance less than ten kilometers from the border.

Insular territory may only be transferred for specific purpose of National development and under the following conditions:

1. When it is not considered a strategic area or reserved for Governmental Programs;
2. When it is declared an area of special development, and legislation has been prescribed for its development, provided National safety is guaranteed.

The transfer of insular territory does not affect the State ownership of properties for public use.

In the preceding cases, vested rights operating at the time this Constitution becomes effective will be respected; however, the respective property may be expropriated at any time through payment of an adequate compensation.

ARTICLE 292

There shall be no property that may not be freely transferred, nor irredeemable obligations, except what is stipulated in Article 62 and 127 hereof. Nevertheless, temporary limitations to the right of transfer and the conditions or modes that suspend or retard the redemption of the obligations shall be valid for a maximum period of twenty years.

ARTICLE 293

Only the following may engage in retail trade:

1. Panamanians by birth;
2. Individuals who, at the time this Constitution becomes effective, were naturalized and married to a Panamanian national or had children by a Panamanian national;
3. Naturalized Panamanians, not included in the preceding case, after three years from the date of their obtaining their final papers;
4. National or foreign juridical persons and foreign natural persons who at the time this Constitution becomes effective, were engaged in retail trade, in accordance with the law;

5. Juridical persons formed by Panamanians or by foreigners authorized to engage in it individually, in accordance with this Article, as well as those who, although not constituted in the manner herein provided, are legally engaged in retail trade at the time this Constitution becomes effective.

Foreigners not authorized to engage in retail trade may not participate in those companies which sell products manufactured by same, as well.

Retail trade is defined as engaging in sales to the consumer, acting as agent or Representative of productive or mercantile concerns, or engaging in any other activities classified by law as pertaining to such trade.

There are excepted from this rule cases in which the farmer, or manufacturer in manual industries, sells his/her own products. A system of supervision and sanctions shall be established by law in order to prevent those persons who, pursuant to this Article may not engage in retail trade, from doing so through interposed persons or in any fraudulent manner.

ARTICLE 294

As wholesale trade is understood trade which is not covered by the preceding Article, and may be engaged in by any person, natural or juridical.

When it is necessary to protect wholesale trade operated by Panamanians, the exercise of such trade by foreigners may be restricted by law. In no case shall this restriction affect the foreigners who, at the time the pertinent provisions enter into effect, are engaged legally in wholesale trade.

ARTICLE 295

Any combinations, contract or action which tends to restrict or prevent free trade and competition, and which has the effect of a monopoly to the detriment of the public, is prohibited in Commerce and Industry.

In this practice is included the operation by a single natural or juridical person of a series or chains of mercantile retail establishments in a manner that ruins or tends to eliminate the competition of small merchants or industrialists.

Any person may file a public action before the courts in order to oppose any combination, contract or action, the object of which is to establish monopolistic practices. This matter shall be regulated by law.

ARTICLE 296

Hunting, fishing and exploitation of forests shall be regulated by law, with special care in protecting and conserving the fauna and flora of the country.

ARTICLE 297

Only the State may operate games of luck and chance, and activities that give rise to wagers.

All types of games as well as any activities which give rise to wagers whatever the system may be, shall be regulated by law.

ARTICLE 298

The State shall ensure the freedom of economic activity and free competition in the markets.

The laws shall establish the modalities and conditions which guarantee these principles.

TITLE XI PUBLIC EMPLOYEES

CHAPTER 1 FUNDAMENTAL PROVISIONS

Article 299

Public employees are persons appointed temporarily or permanently to posts in the Executive, Legislative or Judicial Branches of Government, as well as Municipalities, and Autonomous or Semi-autonomous Entities, and in general those who receive remuneration from the State.

Article 300

Public Employees shall be of Panamanian nationality, without discrimination for reasons of race, sex, religion or political activities. Their appointment and removal may not be the absolute and discretionary prerogative of any Authority, except as provided in this Constitution.

Public Employees shall be governed by the merit system; Stability in their positions shall depend on their competence, loyalty and morality in service.

Article 301

Students and graduates of educational institutions shall render temporary services to the Community before freely practicing their profession or trade under compulsory Civil Service established by this Constitution. The Law shall regulate this matter.

CHAPTER 2 BASIC PRINCIPLES OF PERSONNEL ADMINISTRATION

Article 302

The rights and duties of public employees, as well as the principles governing tenure, promotion, suspension, transfer, dismissal, separation and retirement shall be established by law.

Appointments of career personnel shall be based on the merit system. Public Employees are obliged to personally discharge their duties, to which they shall dedicate their maximum capabilities and for which they shall receive a fair remuneration.

Article 303

Public Employees may not receive two or more salaries paid by the State, except in special cases determined by law, nor may they hold positions with simultaneous periods of work.

The pensions of Public Servants shall be based on actuarial studies and reasonable budgetary allocations.

Article 304

The President and the Vice-President of the Republic, the Justices of the Supreme Court of Justice, of the ordinary and specialized courts, the Office of the Attorney General of the Nation and that of the Administration, the judges, the Ministers of State, the Comptroller General of the Republic, the President of the National Assembly, the Justices of the Electoral Tribunal, the Justices of the Audit Tribunal, the Electoral Attorney General, the Ombudsman, the general directors, managers or heads of autonomous entities, the national and provincial directors of the police services, employees or money handling officers pursuant to the Fiscal Code, should present at the beginning and at the end of their terms of office a sworn declaration of their assets, which must be made publicly and in writing, within ten working days of the assumption of office and ten working days of leaving office, respectively.

The Notary-Public performs the necessary service without any costs.

This provision shall be in force immediately, without prejudice to its further regulation by the law.

CHAPTER 3 ORGANIZATION OF PERSONNEL MANAGEMENT

Article 305

The following public service careers are established in accordance with the merit system:

1. The administrative career;
2. The judicial career;
3. The educational career;
4. The diplomatic and consular career;
5. The career of Health Science;
6. The Police career;
7. The career of Cattle and Agricultural Sciences;
8. The Legislative Service Career;

9. Others established by Law.

The Law shall regulate the structure and organization of these careers in accordance with the requirements of the Administration.

Article 306

All official departments shall function on the basis of a Manual of Procedures and a Position Classification Manual.

Article 307

The following do not form part of the Administration Career (Civil Service):

1. Officials whose appointments are regulated by this Constitution;
2. General and deputy directors of autonomous or semi-autonomous entities, public officials appointed for a specific time or for fixed periods established by law, and those serving in honorary positions;
3. Secretarial staff service personnel immediately attached to public officials who do not form part of any Career;
4. Public officials with authority and jurisdiction who are not part of a career;
5. Professionals, technicians or manual workers required for temporary or special services in the ministries and in autonomous or semi-autonomous institutions;
6. Public employees whose positions are regulated by the Labor Code;
7. Chiefs of Diplomatic Missions as determined by law.

CHAPTER 4 GENERAL PROVISIONS

Article 308

The provisions contained in Articles 205, 208, 210, 211, 212 and 216 herein, shall be applied in accordance with the stipulations set forth in this Title.

Article 309

Public Employees may not themselves, or through third parties (*interposita persona*) execute contracts with the department or agency in which they work, when such contracts are for profit and of a character unsuited to the service rendered.

TITLE XII SECURITY FORCES (*Fuerza Publica*)

ARTICLE 310

The Republic of Panama shall not have an Army.

All Panamanians are required to take arms to defend the national independence and the territorial integrity of the State.

For the preservation of public order, the protection of life, honor and property of those who live under the jurisdiction of the State and for the prevention of punishable acts, the Law shall organize the necessary police services, with authority and separate roster.

In the face of external aggression and by authority of the Law, special police services may be organized temporarily for the protection of the frontiers and jurisdictional spaces of the Republic.

The President of the Republic is the Chief of all services established in the present Title; and they, as authority agents shall be subordinated to civil power; therefore, they shall obey the orders issued by the national, provincial or municipal authorities in the exercise of their legal functions.

ARTICLE 311

The police services are not deliberative and their members may not make statements or political declarations in an individual or collective manner. Neither may they intervene in party political activities, except to cast a vote. Violation of the present provision, shall be penalized with immediate removal from office, besides the penalties established by Law.

ARTICLE 312

The Government alone may possess arms and implements of war. For their manufacture, importation and exportation, previous permission is required from the Executive Authority. Arms which are not considered as arms of war, and their importation, manufacture and use shall be defined and regulated by law.

TITLE XIII CONSTITUTIONAL AMENDMENT

ARTICLE 313

The initiative to propose constitutional amendments belongs to the National Assembly, the Cabinet Council and the Supreme Court of Justice. Such amendments must be approved by one of the following procedures:

1. Through a Constitutional Act, approved in three readings by an absolute majority of the members of the Legislative Assembly, which must be published in the Official Gazette and sent by the Executive Branch to said Assembly within the first five days of ordinary session following the installation of the National Assembly elected in the last general elections, so that it can be discussed and approved in its first session without modification, in a single reading and by an absolute majority of all members of the Assembly;
2. Through a Constitutional Act, approved in three readings by an absolute majority of the members of the National Assembly in one legislature, and approved anew, during the immediately following legislature, in three readings by an absolute majority of the

members of the already mentioned Assembly. On this occasion the text approved during the previous legislature may be amended. The Constitutional Act approved in this manner must be published in the Official Gazette and submitted to the people for direct, popular consultation through a referendum that shall be held on the date designated by the National Assembly, within a period not shorter than three months and not longer than six months from the date of the Constitutional Act's approval by the second Legislature.

ARTICLE 314

A new Constitution may be adopted by a Parallel Constituent Assembly (Asamblea Constituyente Paralela) which may be convened by decision of the Executive Branch, ratified by the Legislative Branch with absolute majority, or by the Legislative Branch with a favorable vote of two thirds of its members, or by popular initiative which must be signed by at least twenty percent (20%) of citizens enrolled in the Electoral Register on the thirty-first of December of the year preceding the initiative. In the latter case, the petitioners shall have six months to fulfill the requirement in conformity with the rules issued to this effect by the Electoral Tribunal.

The Electoral Tribunal is competent to accept the proposed initiative and to schedule the election for the members of the Constituent Assembly within a period not shorter than three months and not longer than six months since the request has been formalized for the election has been formalized. After the election the Parallel Constituent Assembly shall be formally installed and shall begin its deliberations as of right, as soon as the Electoral Tribunal has delivered to its members their respective credentials.

The Parallel Constituent Assembly shall be composed of sixty members who shall represent the Panamanians in all provinces and regions in a proportional manner, in accordance with the voting population; in addition to party nomination, independent candidacies are permitted. For these purposes the Electoral Tribunal shall establish the electoral system applicable to the election of the Constituent Assembly's members in its order convening the election.

The Parallel Constituent Assembly may reform the current Constitution totally or partially but in no case may adopt decisions with retroactive effects or alter the terms of office of elected or appointed officials who are exercising their functions at the moment when the new Constitution enters into force. The Parallel Constituent Assembly shall have not less than six months and not more than ninths months in order to complete its work and to deliver the approved text of the new Constitution to the Electoral Tribunal which shall publish it immediately in its Bulletin.

The new Constitutional Act which has been approved in this manner shall be submitted to a referendum convened by the Electoral Tribunal within a period of not less than three months and not more than six months since its publication in the Bulletin of the Electoral Tribunal.

The Constitutional Act approved in accordance with any one of the procedures indicated in this or in the preceding Article shall enter into force upon its publication in the Official Gazette which has to be accomplished by the Executive Branch within ten working days of its ratification by the National Assembly or within thirty days of its approval through

referendum, whichever may be the case; however, a publication after the expiration of the delays shall not be a cause of unconstitutionality.

TITLE XIV THE PANAMA CANAL

ARTICLE 315

The Panama Canal constitutes an inalienable patrimony of the Panamanian Nation; it shall remain open to peaceful and uninterrupted transit of vessels from all Nations and its use shall be subject to requirements, and conditions established by this Constitution, the Law and its Administration.

ARTICLE 316

An autonomous juridical entity under Public Law is hereby created with the name of the Panama Canal Authority, which shall have the exclusive administration, operation, conservation, maintenance and modernization of the Panama Canal and its pertinent activities, pursuant to constitutional and legal provisions, in order to operate in a safe, continuous, efficient and profitable manner. It shall have its own patrimony and the right to administer it.

It is the responsibility of the Panama Canal Authority the administration, maintenance, use and conservation of the hydric resources of the Panama Canal watershed, encompassing the water from the lakes and their tributary currents, in coordination with the States' entities established by Law. The construction plans, water usage, utilization, expansion, ports' development and of any other work or construction on the riverside of the Panama Canal shall require the prior approval from the Panama Canal Authority.

The Panama Canal Authority shall not be subject to taxes, duties, assessments, charges, contributions or revenues of national or municipal nature, with the exception of the social security quotas, educational insurance, professional risks and the taxes for public services, except as provided in Article 321.

ARTICLE 317

The Panama Canal Authority and all those institutions and authorities of the Republic linked to the maritime sector shall be part of the national maritime strategy.

The Executive Branch shall submit to the Legislative Branch the Law coordinating all these institutions to promote the social-economical development of the country.

ARTICLE 318

The administration of the Panama Canal Authority shall be in charge of a Board of Directors constituted of eleven directors appointed as follows:

1. A Director appointed by the President of the Republic who shall preside [over] the Board of Directors and shall have the status of States' Minister for the Canal Affairs;
2. A Director appointed by the Legislative Branch, who shall be of its free appointment and removal;
3. New Directors appointed by the President of the Republic, of common consent of the Cabinet Council and ratified by the Legislative Branch, by absolute majority of their members.

The Law shall establish the requirements to occupy the office of Director, ensuring the gradual renewal of the Directors established at paragraph 3 of this Article, in groups of three and every three years. As of the first renewal, the term of all the Directors shall be of nine years.

ARTICLE 319

The Board of Directors shall have the following faculties and functions, without prejudices of others which the Constitution and the Law establish:

1. To appoint and remove the Administrator and Assistant Administrator of the Canal and determine their functions in accordance with the law;
2. Establish tolls, rates and fees for the use of the Canal and its related services, subject to the final approval of the Cabinet Council;
3. To contract loans, prior approval of the Cabinet Council and within the limits established by Law;
4. To grant concessions for the rendering of services to the Panama Canal Authority and to the transiting vessels;
5. To propose the limits of the hydrographical watershed of the Canal for the approval of the Cabinet Council and the Legislature;
6. To approve privately the regulations elaborating the general rules enacted by the Legislative Branch at proposal from the Executive Branch on the contracting regime, purchases and all the subjects necessary for the proper operation, maintenance, conservation and modernization of the Canal, within the national maritime strategy;
7. To exercise all those established by this Constitution and the Law.

ARTICLE 320

The Panama Canal Authority shall adopt a planning and triennial financial administration system whereby it shall approve, by means of motivated resolution, its annual budget bill which shall not be part of the General State's Budget.

The Panama Canal Authority shall submit the Bill of the Budget to the Cabinet Council, which in turn, shall submit it to the consideration of the Legislative Branch for its examination, approval or rejection, in accordance with the procedure contained in Chapter 2, Title IX of this Constitution.

In the Budget the contributions the Social Security and the payments of rates for public services rendered shall be established as well as the transfer of economic surpluses to the

National Treasury, once the costs of operation, investment, operation, maintenance, modernization, broadening of the Canal have been covered and the necessary reserves for contingencies provided by the Law and its Administration.

The execution of the Budget shall be in charge of the Administrator of the Canal and shall be supervised by the Board of Directors or whoever it designates by it and only by means of subsequent control from the General Comptroller's Office of the Republic.

ARTICLE 321

The Panama Canal Authority shall pay, annually, the National Treasury fees per net tonnage of the Panama Canal or its equivalent, collected to vessels subject to the payment of tolls transiting through the Panama Canal. These fees shall be established by the

Panama Canal Authority and shall not be inferior to those which the Republic of Panama should receive for equal concept of the 31st of December, 1999.

Because of its transit through the Panama Canal, the vessels, their cargo or passengers, owners, shipbuilders or their operation, as well as the Panama Canal Authority shall not be subject to any other national or municipal encumbrance.

ARTICLE 322

The Panama Canal Authority shall be subject to a special labor regime based on a merit system and shall adopt a General Employment Plan which shall keep as minimum, the conditions and labor rights similar to those existing at the 31st of December 1999. The permanent workmen, and those which have to be covered by a special retirement during that year and whose positions are established as necessary pursuant to applicable rules, shall be guaranteed the contracting with benefits and conditions similar to those corresponding up to that date.

The Panama Canal Authority shall contract, preferentially, Panamanian citizens. The [corresponding] Organic Law shall regulate the employment of foreign workers in such a manner as to ensure that the working conditions or the livelihood of the Panamanian employees are not impaired. Taking into consideration the essential international public service rendered by the Canal, its operation shall not be interrupted for any reason.

Labor controversies between the workers of the Panama Canal and its Administration shall be resolved between the workers or the syndicates and the Administration, following the procedures of settlement established in the Law. Arbitration shall constitute the last administrative instance.

ARTICLE 323

The regime contained in this Title may only be developed by Laws establishing general norms. The Panama Canal Authority may regulate these subjects and will provide copy of all the regulations issued in the exercise of this faculty to the Legislative Branch in a term no later than fifteen calendar days.

TITLE XV FINAL AND TRANSITORY PROVISIONS

CHAPTER 1 FINAL PROVISIONS

Article 324

This Constitution shall enter into force starting from October 11, 1972.

Article 325

Treaties or international agreements that may be concluded by the Executive Branch with respect to the Panama Canal, its adjacent area and the protection of said Canal, as well as the construction of a sea-level canal or of a third set of locks, shall be approved by the

Legislative Branch, and after being approved shall be submitted to a national referendum, to be held not earlier than three months from the approval by the Assembly.

No amendment, reservation, or understanding that refers to such treaties or agreements shall be valid if it does not comply with the requirements dealt with in the previous paragraph.

This provision shall apply also to any proposal for the construction of third set of locks or of a canal at sea level on the existing route which the Canal Authority may propose to realize, either by administrative means or by contracts concluded with any private firm or firms or with firms owned by one or several other States. In these cases the construction proposal, which has to be approved previously by the Executive Branch and be submitted to the Legislative Branch for approval or rejection, shall be submitted to referendum. Any project concerning the construction of a new canal shall also be submitted to referendum.

Article 326

All laws and other legal provisions contrary to this Constitution are repealed, except those pertaining to parental authority and support, the contrary parts of which shall continue in force for a period not exceeding twelve months from the date this Constitution enters into effect.

CHAPTER 2 TRANSITORY PROVISIONS

Article 327

The following transitory provisions are adopted with regard to the amendments introduced by the Legislative Act of 2004:

1. As a general rule, the provisions of this constitutional reform are immediately in force upon their promulgation, except in the following cases:
2. The changes related to the beginning and the end of ordinary parliamentary terms shall enter into force on July 1, 2009;
3. The Justices of the Electoral Tribunal who are selected at the end of the term of the current Justices shall be designated in the following manner: for a term of six years in the case of the Justice designated by the Judicial Branch; for a term of eight years, in the case of the Justice designated by the Executive Branch; and for a term of ten years in the case of the Justice designated by the Legislative Branch, so as to establish the system of subsequent appointments of the Justices of the Electoral Tribunal;
4. As long as the law which regulates the Audit Tribunal is not adopted and enters into force, all existing norms and procedures relating to jurisdiction in accounting matters shall remain in force. Once the Audit Tribunal assumes its functions, all proceedings which are pending in the Financial Liabilities Department of the Office of Comptroller General shall be transferred to said Tribunal. In order to ensure subsequent appointment, the first Justices on the Audit Tribunal shall be appointed in the following manner: for a period of six years in the case of the Justice designated by the Judicial Branch; for a term of eight years, in the case of the Justice designated by the Executive Branch; and for a term of ten years in the case of the Justice designated by the Legislative Branch;
5. The popularly elected officials for the term 20004-2009 complete their term on June 30, 2009;
6. The Legislative Branch shall appoint a Technical Committee (Comisión de Estilo) in order to place the Articles of the Constitution, together with their amendments, in a numerical order which ensures the correspondence of this numerical order with the numbers of the Articles to which the constitutional norms refer;
7. This Legislative Act of 2004 shall enter into force upon publication in the Official Gazette which must be accomplished by the Executive Branch within ten working days following its ratification by the Legislative Assembly;
8. The elimination of elective functions referred to in this constitutional reform shall become effective with the general elections of 2009;
9. The public officials whose appointments are considered in this Constitution and who are discharging their functions at the time of entry into force of these reforms shall continue in office until the term for which they have been appointed expires.

Article 328

In the matters not incongruent with the provisions contained in the Constitution, the Panama Canal Authority shall incorporate to its organization the administrative and operational structure existing at the Panama Canal Commission at December 31, 1999, including its departments, offices, positions, rules in force, regulations and collective (labor) agreements in force, until these are amended pursuant to the law.