

Committee on the Application of Standards

Date: 17 May 2025

Governments appearing on the list of individual cases have the opportunity, if they so wish, to supply written information to the Committee.

► Information on the application of ratified Conventions supplied by governments on the list of individual cases

Panama (ratification: 1970)

Employment Policy Convention, 1964 (No. 122)

The Government has provided the following written information.

The Government, through the Ministry of Labour and Workforce Development (MITRADEL), complies with international labour standards in full accordance with the Political Constitution. The Republic of Panama, in accordance with articles 19, 40 and 64 of the Political Constitution, recognizes the freedom of individuals to choose freely the exercise of any occupation or trade, without any type of discrimination on the basis of race, birth, social class, sex, religion or political ideas, and the State, in compliance with this constitutional duty, is formulating economic policies designed to promote full employment and guarantee to all workers the conditions necessary for a decent existence.

MITRADEL, in accordance with section 1 of the Labour Code, regulates the relations between capital and labour on the basis of the principles of social justice, ensuring State protection for workers, promoting full employment through the creation of the necessary conditions to guarantee workers a decent existence and to offer capital equitable compensation for investment.

With this objective, the Republic of Panama has established the following programmes:

Focused recruitment, as an innovative approach by the public employment service which gives priority to a more human, dignified and efficient process of seeking work for all citizens of Panama through procedures that are organized and aligned with the real opportunities on the labour market, which only call on applicants whose profiles are in line with the available vacancies, thereby ensuring that they have a real chance of obtaining decent work. During the second half of 2024, some 52 recruitment days were organized at the national level, offering 2,021 job vacancies. In the first half of 2025, 60 such days have been organized in regional offices, with a total of 4,685 vacancies offered through the collaboration of over 300 private sector enterprises.

The *Mi primer empleo* ("My First Job") programme (Act No. 121 of 2019, Executive Decree No. 27 of 2024, as amended by Executive Decree No. 6 of 2025) is a flagship programme of the current administration. It facilitates the integration of young persons between the ages of 17 and 24 years in the formal labour market through a transparent and flexible process, administered through a digital platform which optimizes labour mediation through the automated matching of the vacancies registered by enterprises and the profiles of the young participants in the programme, thereby facilitating interviews and internships. This tool promotes public-private collaboration, facilitates integration into the formal labour market with decent remuneration and reinforces the commitment of the State to youth employability and economic growth. During its first phase, between July and December 2024, the programme offered 1,058 internships and achieved the integration of 624 young persons in the private sector. In 2025, a further 2,780 internships are envisaged, of which 738 were organized during the first quarter of the year, with the active participation of over 405 private enterprises at the national level. In April 2025, we signed a cooperation agreement with the Private Sector Council for Educational Assistance in support of the *Mi primer empleo* programme. The agreement provides for training through the CONECTA platform, which is an innovative, flexible and solid tool that optimizes the management of essential activities and resources to promote vocational development and strengthen links with the business world. This training, which is aligned with labour market demand and the skills required by enterprises, includes regular assessments to monitor the progress and involvement of young beneficiaries.

The Programme to Improve the Employability of Persons with Disabilities (Act No. 15 of 2016), through which comprehensive strategies have been developed to raise awareness and provide support for enterprises for the recruitment of this valuable talent pool. Within the context of this transformative vision, the Barrierless Talent Foyer "Anita Correa" has been developed as a fundamental pillar of the model of inclusive recruitment which ensures that each labour market integration process for persons with disabilities is carried out in an effective, decent and sustainable manner, with the promotion of real opportunities for integration. We play a key role by offering comprehensive support to enterprises, ranging from legal guidance to post-recruitment follow-up, and ensuring strict compliance with Act No. 15 of 31 May 2016. On the basis of this inclusive and structured strategy, between July 2024 and the present, a total of 222 persons with disabilities have been integrated into the labour market in the various regions of the country, of whom 127 are men and 98 are women. This progress is a result of the positive impact of the initiative on the development of a more equitable and accessible labour environment for everyone. The State recognizes the labour market inclusion of persons with disabilities as a fundamental right that promotes equity and social cohesion.

The Vocational Guidance and Employment Programme (Decision No. 341 of 24 July 2015) is being consolidated as a strategic tool to bring young persons closer to the real conditions on the labour market. The Programme provides advice on employment trends and academic courses for school-leavers with the *bachillerato* level with a view to facilitating free and informed decisions on their vocational futures. In 2024, a total of 2,210 young persons were trained at the national level, and in 2025 it is planned to cover 10,000 young persons, who will be assisted by suitable psychologists from the institution, thereby reaffirming the Government's commitment to the comprehensive training and labour market integration of youth in Panama.

The Government is proposed to make progress towards real electronic administration through the integration of technology as a key tool for the provision of public services. A

significant step forward in this respect is the management of the Department for Private Employment Agencies, governed by Executive Decree No. 32 of 15 April 2016, with a total of 108 enterprises registered, of which 81 have currently valid permits. In 2024 and 2025, six new agencies have been registered, both for maritime and land-based employment. During the course of 2025, seven applications have been received for the renewal of permits and one application for a new permit. Of the new applications received, only one was submitted in hard copy, thereby demonstrating the effectiveness of the digital application and the administrative efficiency for employment generation.

The digital platform *Empleos Panama* (Executive Decree No. 3 of 22 April 2024) continues to be a pillar of employment mediation and facilitates the appropriate and efficient matching of enterprises and jobseekers, with support from MITRADEL. The platform has 2,001 registered enterprises and 234,167 users and is a tool that is making progress towards a comprehensive restructuring based on artificial intelligence, which will make it possible to modernize the service and improve its efficiency, in line with the highest international standards for public employment services. On 5 May 2025, we concluded an agreement with the Ministry of the Interior for the selection of staff for the Community Justice Peace Houses through the Ministry's employment exchange. With over 2,100 posts available at the national level, the effectiveness of the public employment service is being consolidated as a key tool for the Government to guarantee accessible justice and strengthen local recruitment.

The Government is continuing to strengthen skills training for the labour force through strategic alliances with educational institutions, such as the Higher Specialized Technical Institute (ITSE). A framework cooperation agreement between the ITSE and MITRADEL seeks to extend its training programmes at the national level, using the facilities of the Panama Institute of Labour Studies in the regional departments of the MITRADEL. This initiative has promoted the implementation of micro-credentials, especially in the tourism sector, with priority being given to regions with a high demand for labour, thereby reaffirming the State's commitment to quality technical training that is inclusive and oriented towards economic development and social equity. The ITSE has trained 328 young professionals, with a historically high labour market integration rate of around 60 per cent.

The Republic of Panama, as a country with a high demand in the tourism and logistical services sectors, requires a good level of English as an essential skill to strengthen the labour market and improve employability. In this context, the MITRADEL has concluded an agreement with the National Institute of Vocational Training and Human Resource Development (INADEH) for the provision of English courses in classrooms and on line with a view to providing jobseekers with the essential tool of a second language. This alliance is strengthening continuous training and quality technical capacity-building with a view to promoting inclusion, equity and better labour market opportunities.

The services of the INADEH are intended to train citizens for employment. In 2024, it provided services for 181,024 beneficiaries, of whom 35.5 per cent were men and 65.5 per cent women. It provided 6,406 courses and programmes physically and on line in 28 skills areas intended to address the needs of the various economic sectors. The INADEH is currently developing the initial phase of the Hotel School, with the principal objective of responding to the needs of beneficiaries who do not have opportunities to engage in vocational practice. The project links theory and real work. It is costing around 30,715,035 balboas and, in addition to beneficiaries in the hotel industry, will also promote the areas of enterprise development, catering, baking and client services, among others, and, for its operation, will require various vocational profiles and the development of an organizational plan for the institution.

The INADEH is also planning the construction of new training centres in local districts with a view to bringing the provision of training closer to remote rural communities, as indicated below:

- (I) The construction of new facilities for the local Ngäbe Buglé vocational training centre, which is planned to cover 212,084 inhabitants of the Ngäbe Buglé indigenous district who, according to the 2023 census, consist of 109,577 women and 102,507 men. It is planned that there will be approximately 6,925 direct beneficiaries each year, through the provision of around 277 courses. The investment will be 4,312,256.16 balboas transferred by the central Government.
- (II) The construction of new facilities in the Guna Yala district, in a project that will benefit 32,016 inhabitants of the Guna Yala indigenous district where, according to the 2023 census, there are 15,308 men and 16,708 women.

It should be emphasized that on 13 and 14 May this year, the Ministers of Labour of Central America and the Dominican Republic and their permanent technical staff held the first ordinary meeting of the Council of Ministers of Central America and the Dominican Republic (CMT-CARD) in the City of Panama. On that occasion, Panama acted as Chair *pro tempore*, in succession to Honduras, and the CMT-CARD Plan of Action 2025–27 was adopted, which addresses the four fundamental areas of: innovative employment placement in public employment services and labour market observatories; labour inspection with the inclusion of new technologies; the transition to the formal economy, including the development of a regional analysis and a good practices guide; and the strengthening of the governance of the Council and the management of international cooperation.

The Panama Declaration was also adopted, which places emphasis on decent work programmes, the Latin America and the Caribbean Labour Information and Analysis System (SIALC) and the discussions at the 113rd Session of the International Labour Conference in relation to labour matters in the region. Emphasis was also placed on the positive impact of the design and implementation of comprehensive policies for the transition to formal employment through the adoption of a multisectoral approach and the use of technology. International cooperation and technical assistance are key elements in addressing these challenges through sustainable and effective strategies with a view to ensuring better conditions of work and opportunities for the population.

Finally, we emphasize that the efforts made in Panama are not only a response to structural factors in the labour market, but also to recent events that have affected job conservation and creation, such as the mining contract being found unconstitutional, the prolonged closure of roads at the national level and the calling of unlawful and unjustified strike action, which have had a negative impact on economic activity and labour stability. We are continuing to make firm progress through coherent activities that include the Government, the private sector and the population in order to ensure that every citizen of Panama can have access to real opportunities for decent employment that are freely chosen and are not affected by any form of discrimination, thereby strengthening economic growth and sustainable development.