

Panama (Tier 2)

The Government of Panama does not fully meet the minimum standards for the elimination of trafficking; but is making significant efforts to do so. The government demonstrated overall increasing efforts compared to the previous reporting period; therefore Panama remained on Tier 2. These efforts included investigating more traffickers, prosecuting an allegedly complicit official, creating and granting temporary residency permits for foreign trafficking victims, directing funds to the Special Fund for Victims of Trafficking in Persons, and providing services for potential trafficking victims. However, the government did not meet the minimum standards in several key areas. The government identified fewer victims, did not fund trafficking-specific shelters, and did not amend the anti-trafficking law to make it consistent with international law.

PRIORITIZED RECOMMENDATIONS:

Vigorously investigate and prosecute alleged traffickers, including those involved in child sex tourism, and sentence convicted traffickers to adequate penalties, which should involve significant prison terms. • Amend the anti-trafficking law to include force, fraud, or coercion as essential elements of the crime consistent with international law. • Train law enforcement and prosecutors to investigate and prosecute traffickers using the trafficking offense rather than a lesser offense. • Continue to increase funding for specialized victim services, including through the special fund for trafficking victims and funding for civil society organizations. • Provide funding for the dedicated trafficking shelter. • Inform foreign victims on the availability of the temporary residency permit and process such requests in a timely manner. • Increase training for government officials in victim identification and referral, including proactive screening of vulnerable populations such as migrants and individuals in prostitution. • Consistently inform victims of their right to apply for restitution from the courts and access to a lawyer to assist them. • Use existing laws and regulations to revoke the licenses of fraudulent recruiters.

PROSECUTION

The government increased investigations and maintained prosecutions and convictions. Article 456 of the penal code did not criminalize all forms of sex trafficking and labor trafficking because it required movement to constitute a trafficking offense. It prescribed penalties of 15 to 20 years' imprisonment for trafficking offenses involving an adult victim, and 20 to 30 years for those involving individuals under the age of 18 years old or other aggravating

circumstances; these penalties were sufficiently stringent and, with respect to sex trafficking, commensurate with penalties prescribed for other serious crimes, such as rape. Inconsistent with international law, the law established the use of force, fraud, or coercion as aggravating factors, rather than essential elements of the crime. The law defined trafficking broadly to include illegal adoption without the purpose of exploitation. The government charged some child sex traffickers with non-trafficking offenses, which carried lighter sentences. Article 180 criminalized “the prostitution of minors” with penalties of four to six years’ imprisonment and a 5,200 balboas (\$5,200) fine. Article 186 criminalized purchasing commercial sex acts from a child and prescribed penalties of five to eight years’ imprisonment.

Authorities initiated 32 trafficking investigations (25 for sex trafficking and seven for forced labor) involving 19 suspects, compared to 18 trafficking investigations involving 17 suspects in 2017 and seven sex trafficking investigations involving 13 suspects in 2016. The government prosecuted 12 suspects for trafficking, compared with 24 in 2017 and 13 in 2016. Panama transitioned from the inquisitorial to adversarial system in 2016, which prosecutors report resulted in a higher than average number of cases brought to prosecution in 2017 due to backlogs. Authorities convicted eight traffickers—seven sex traffickers and one labor trafficker—compared with seven traffickers in 2017 and two traffickers in 2016. The government sentenced these traffickers to four to 17 years’ imprisonment, compared to 10 to 15 years’ imprisonment in 2017 and six to 18 years in 2016. Law enforcement conducted an operation in a rural bar that resulted in the arrest and prosecution of six alleged traffickers, including an allegedly complicit government official, and the convictions of two of the perpetrators for trafficking and for renting out the space where the trafficking took place with sentences of four and six years’ imprisonment.

The Panamanian National Police provided specialized training in trafficking investigations to 30 officers and worked with the attorney general’s organized crime office to investigate cases, but it did not reopen a dedicated anti-trafficking unit closed in a previous reporting period. Panamanian authorities cooperated with Costa Rica and the Dominican Republic on two trafficking cases, which led to the identification of at least three victims. The government funded and provided anti-trafficking training to the national police and air naval service in three border areas and at least two island tourist destinations. The government collaborated with international organizations, which provided training on trafficking for immigration officials, law enforcement, the military, and taxi drivers.

PROTECTION

The government maintained protection efforts. The government identified 46 potential trafficking victims—40 sex trafficking and six labor trafficking—compared to 59 trafficking victims (57 sex trafficking victims and two forced labor victims) in 2017 and 84 suspected adult sex trafficking victims in 2016. The Commission on the Identification and Protection of Victims trained government officials in victim identification and referral. The government implemented guidelines for victim identification and protection developed by an international organization, which resulted in formal procedures, internal guidelines, and training materials for the Technical Unit for Attention and Protection of Victims and Witnesses (UPAVIT). Officials referred all victims to the UPAVIT, which provided legal and other assistance to victims, and physical protection to victims, witnesses, and experts.

The government created the Special Fund for Victims of Trafficking in Persons mandated by the anti-trafficking law, which received 25 percent of funds directed to the National Commission Against Human Trafficking and the proceeds of seized assets. Despite the lack of dedicated funding, some agencies provided food, shelter in hotels, transportation, and psychological and legal services to all 46 potential victims. In the previous reporting period, the government approved the design and construction of a dedicated trafficking shelter by an international organization, but the government did not secure funding for it in 2018. Authorities placed victims in hotels, which they were free to leave, and covered the cost of the hotel rooms or allowed victims to return to their country of origin. Many victims chose to return to their home countries or reside with family and friends rather than stay in hotels, potentially inhibiting victim-witness support in pending trafficking cases.

The government issued an executive order in January 2019 to create a temporary residency permit for trafficking victims and six victims received such relief. The government provided repatriation assistance to two of its own citizens identified as trafficking victims abroad. The government made available specially designed interview rooms to allow victims to provide testimony privately in order to minimize the risk of re-victimization during the judicial process, but it did not report using the rooms. The government seized assets derived from human trafficking activities and allocated the proceeds to services for trafficking victims. The law allowed victims to request restitution with the assistance of a lawyer from

the National Human Trafficking Commission, but no restitution was requested in 2018.

PREVENTION

The government maintained prevention efforts. The National Commission Against Human Trafficking continued implementing its 2017-2022 national anti-trafficking action plan, fully funded and staffed a victim identification and assistance unit, and developed a training guide. The commission also led a process to establish a temporary residency permit for trafficking victims. Panama chaired the regional coalition against human trafficking and migrant smuggling, which led to a regional trafficking victim repatriation guide and a model anti-trafficking communication strategy, which Panama began adapting for use. The commission worked to improve interagency coordination in 2018, which resulted in the government appointing regional Ministry of Education liaisons who provided awareness-raising workshops for teachers, staff, parents, and students across the country. The government distributed flyers to passengers in the airport and in the capital city. The government operated a hotline to receive tips, administered by the national police, a 311 number for the public to report possible cases or request inspections of businesses, and additional hotlines to report crimes, but it did not report the number of calls received related to trafficking. National laws and regulations provided the authority to revoke the licenses of fraudulent recruiters and recruitment fees, but the government did not report enforcing them. The government made no new efforts to reduce the demand for commercial sex acts or forced labor. Panama criminalized child sex tourism, but did not prosecute any cases. The Panamanian Commission against Sexual Exploitation Crimes expanded its campaign against the sexual exploitation of minors—including child sex trafficking—to high school and university students and private and public sector professionals capable of identifying and referring potential victims. The commission provided training for hotel and tourism sector staff and shared best practices for the tourism industry both in Panama City as well as in more remote locations. The government entered into an anti-trafficking cooperation agreement with the Government of Colombia but did not report any results achieved due to the agreement.

TRAFFICKING PROFILE

As reported over the past five years, human traffickers exploit domestic and foreign victims in Panama, and traffickers exploit victims from Panama abroad.

Traffickers exploit children in forced labor, particularly domestic servitude, and sex trafficking in Panama. Most identified trafficking victims are foreign adults exploited in sex trafficking, especially women from South and Central America. However, traffickers also exploit Panamanians in sex trafficking in Panama and in the Caribbean and Central and South America. Traffickers have exploited transgender individuals in sex trafficking due in part to increased vulnerability because of discrimination and high demand for commercial sex acts from this population. Traffickers exploit some men and women from Central America who transit Panama en route to the Caribbean or Europe in sex trafficking or forced labor in their destination countries. Traffickers exploit indigenous females in forced labor in rural, impoverished border areas of the country. Traffickers exploit Central and South American, Chinese, and Vietnamese men in forced labor in construction, agriculture, mining, restaurants, door-to-door peddling, and other sectors using debt bondage, false promises, lack of knowledge of the refugee process and irregular status, restrictions on movement, and other means. Traffickers have forced victims to consume illegal drugs as a coercive measure. Men from the United States have been investigated as child sex tourists in Panama. Government officials have been investigated and arrested for alleged involvement in trafficking.