

Panama

Guide to the market
& payment methods

PANAMA



Market overview



Panama, famous for the Panama Canal and its vibrant capital, is one of the richer countries in Latin America when it comes to economic figures.

The country has 4m inhabitants and the economy reached a GDP of 67bn USD in 2020. This means, every Panamanian inhabitant contributed just under 16k USD per year to the overall economy, being an above-average amount compared with neighboring countries. The inflation rate has historically been remarkably low, with currently being negative, but averaging about 2% for the last 10 years. Unemployment rates have been increasing slightly since 2016 from 5% to 10% in 2021 (Covid-19-related spike) and are expected to plateau at around 9% throughout 2026. The main export partner of Panama is Ecuador, stemming 20% of the total export amount.

The main economic sectors in terms of GDP are services with nearly 65%, followed by industry with about 30%, and agriculture sitting at around 2%. While agriculture has the lowest impact on the GDP, about 14% of the workforce is employed with that sector. The opposite holds true for the industrial sector, that only employs 19% of the workforce.

In terms of e-commerce preparedness, according to UNCTAD, Panama is placed midfield before Belize and Venezuela. This rank shows that Panama is on a good development trajectory, but with room for improvement.

KPIS Of the country

Currency:
Balboa/US-Dollar
(PAB/USD)



\$656m

total e-commerce-re-
venue in 2021

4m

population

3m

internet users

1.8m

e-shoppers



Panama is one of the richest countries in Latin America due to the proceeds from the Panama Canal. Although being relatively rich, the e-commerce development in the country is lagging. But in the future, this sector is expected to grow quickly.



Expand your business to Panama



The main sectors of the economy



Agriculture & fishing

The countries' agricultural products are exported with a respectable share as well. Fruits and nuts have an impact of 8% of the exports, while all fish products cover 4%.



Oil, minerals & industrial products

Panama is exporting petroleum (crude and refined) with a share of 17% of all exports. Copper ore covers 11% and coal tar oil 6%. Gold takes a share of 3% and other precious metals 1% of the export volume. Vehicles like cars and ships of all kinds take up 11%, machines and appliances 9% and pharmaceutical products 6%.

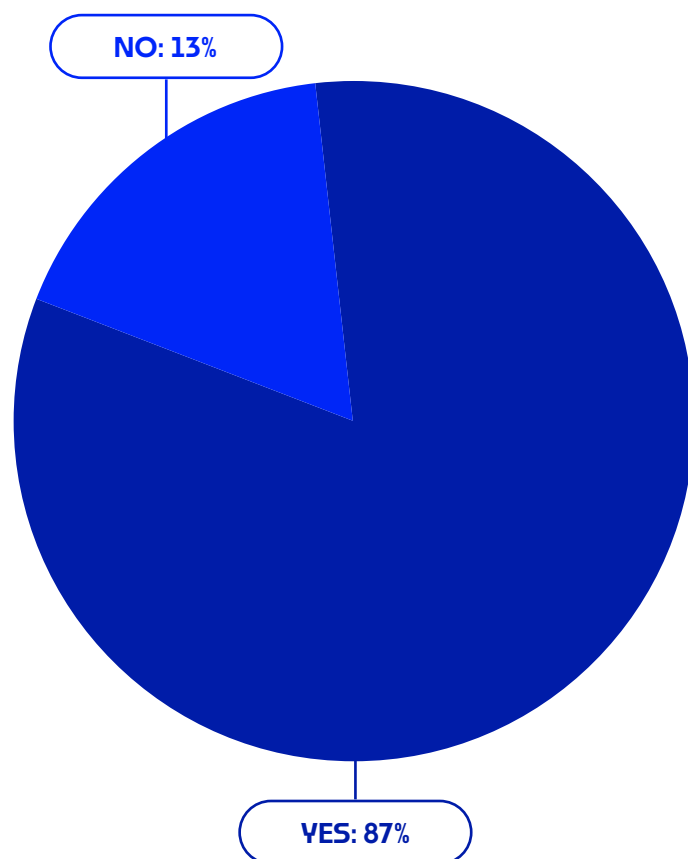


Tourism

Travel and tourism as percentage of the GDP in Panama in 2019 has reached 14%. Compared with neighbors, Peru is ranked fourth behind Belize, Uruguay and Mexico. While Belize is most tourist-dependent with a share of 37%, Suriname sits at 3%. However, most countries move in a bracket between 9 and 13 percent.



Share of consumers who planned to stick to online sales channels in the future in Panama as of May 2020



Source:
EY, Parthenon © Statista 2021

Additional Information:
May 2020; 18 years and older; Online survey

Interesting numbers

13%

Projected e-commerce revenue (CAGR 2021-2025).

320USD

Expected average revenue per user in 2021.

47%

Expected rate of e-shoppers in 2021.



Our payment methods in Panama



In Panama, the population mainly pays with cash, but also uses debit cards. Credit cards are a less important transaction type, as only 8% of the population own one (LATAM average is 19%). Over 9% of the population makes online purchases or pays the bills online. About 4% have a mobile money account.

For Panama, we offer the popular cash payment option of Western Union.

Cash payments



Online shopping insights >>>

Cash

Most popular payment method in 2020.

China

Most revenue generated in 2021.

Fashion

Largest market segment 2021.

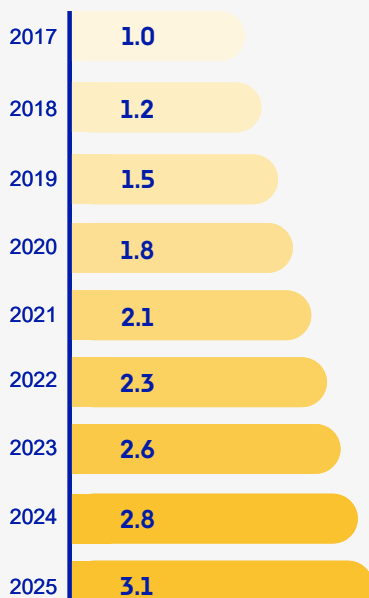
46%

Share of banked population in 2020.

Growth of online shopping

Users.
Penetration rate.
In million users.

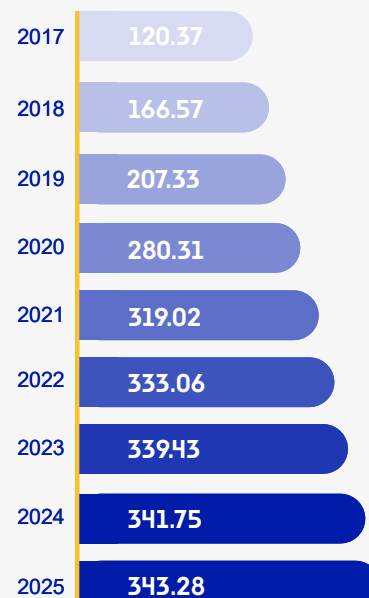
Most recent update:
Jul 2021



Source:
Statista

Average revenue per user
(in USD)

Most recent update:
Jul 2021

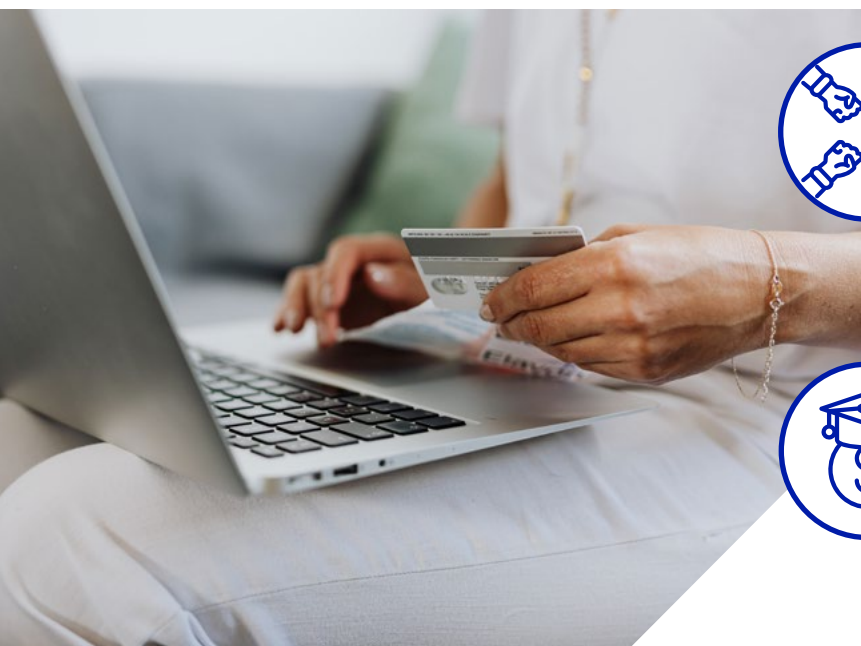
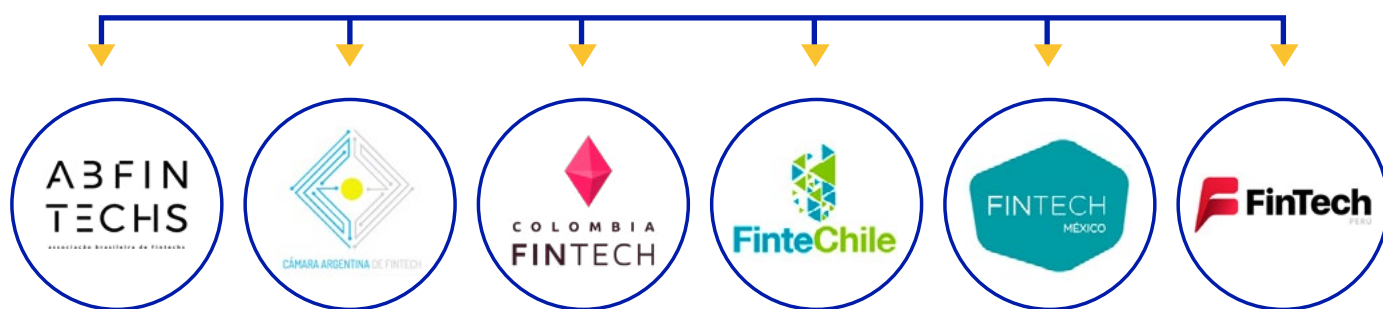


Source:
Statista

Our Associations

We are members of several Fintech associations throughout Latin America with the common goal of creating a dynamic ecosystem for business development.

Fintech Associations



Financial Inclusion

We promote the business of companies, driving the creation of new, technology-based financial products that provide solutions to current user demands, helping to increase the level of financial inclusion.



Financial Education

We are aware of the importance of helping people acquire the knowledge and skills to better manage their personal finances and improve their well-being. We use our collective knowledge and industry best practices to improve financial services for everyone.



Offices around the world

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