

IN-DEPTH

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PANAMA

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In-Depth: Environment and Climate Change Law (formerly The Environment and Climate Change Law Review) provides a global overview of environmental protection laws and regulations, as well as legislative and policy initiatives to combat climate change. It analyses the essential features of the legal and enforcement frameworks in major jurisdictions worldwide, while also examining the most consequential recent developments and offering an outlook for future changes.

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Introduction

The Republic of Panama is currently in the process of implementing a strategic plan with a vision towards 2030, drafted by the National Consensus Council for the Development (CCND), which focuses on, among other things, the establishment of public policies for environmental sustainability on a global scale. At a national level, in 2015, the Republic of Panama made an integral reform of the public organic structure regulating environmental matters and created a Ministry of Environment, which replaced the former National Authority of the Environment. This reform sought to reinforce the country's commitment to implementing more solid and comprehensive regulation towards the protection, conservation, and recovery of the environment, as well as the sustainable use of natural resources.

Among the several attributions of the Ministry of Environment, one is to formulate and execute a national environmental policy that is consistent with the development plan of the country. The policy revolves mainly around:

1. sustainable management of hydraulic resources;
2. clean and sustainable energy that is accessible to most people;
3. cleaner and sustainable production and environmental management systems for businesses;
4. mitigation of climate change;
5. proper handling of nutrients and solid waste; and
6. recognition of territorial and sea ecosystems as fundamental to the balance and quality of human life.

The Republic of Panama has a significant amount of legislation covering certain fundamental and overall recognised environmental matters and omissions, which also includes several international treaties in our attempt to be part of the worldwide conversation. Notwithstanding the country's endeavours to solidify codified regulation, there is room for improvement with regard to active scrutiny and enforcement on those who are subject to comply with environmental laws and regulations.

Year in review

The most significant developments and changes that occurred during the past year are as follows.

1. A new regulation was adopted in Panama for the process to assess the environmental impact study (EIS) of projects.
2. The new regulation related to the EIS has established a resolution by the Ministry of Environment approving that an EIS is valid for two years and that it is not extendable. During this time, the execution of the project must begin

3. The Ministry of the Environment has launched an aggressive campaign in the sphere of private companies to disseminate programmes to reduce the carbon footprint as well as the creation of the national carbon market of Panama and the Panamanian Carbon Exchange.
4. The Ministry of Environment has asked the Latin American Stock Exchange (*Bolsa Latinoamericana de Valores*), Latinex, to manage the Panamanian Carbon Exchange (*Bolsa Panameña de Carbono*), which was created in 2021 by Executive Decree No. 100.
5. Latinex is programming to launch the platform to manage the Panamanian Carbon Exchange in the coming months.
6. Executive Decree No. 1 of 2023 related to the EIS was amended by Executive Decree No. 2 of 2024, which introduced new articles and modified several articles of the original decree.
7. By virtue of Executive Decree No. 2 of 2025, the Specialised Multidisciplinary Team (EME-AMBIENTAL) was created as an inter-institutional technical unit under the Ministry of Environment.

Legislative framework

The main sources of Panamanian legislation regulating environmental matters can be broken down as follows:

1. the Constitution of the Republic of Panama, which establishes the fundamental obligation of the state to ensure that the population lives in a healthy environment free of all contamination where the air, water and food satisfy the standards required for the appropriate development of human life;
2. Law No. 287 of 24 February 2022, whose purpose is to recognise nature as a subject of rights, as well as the obligation that the state and all persons, whether natural or juridical, must guarantee the respect and protection of these rights;
3. Law No. 41 of 1 July 1998 as amended by Law No. 8 of 25 March 2015, whereby the general environment law is created, along with the National Authority of the Environment. The main purpose of this Law is to establish basic principles for the protection, conservation and recovery of the environment, promoting the sustainable use of natural resources;
4. Law No. 8 of 25 March 2015, whereby the Ministry of Environment is created and Law No. 41 of 1 July 1998 was amended. The main purpose of this Law is to establish the Ministry of Environment as the public governing body in charge of ensuring the protection, conservation and recovery of the environment and the sustainable use of natural resources;
5. Law No. 24 of 7 June 1995 as amended by Law No. 8 of 25 March 2015, whereby regulation is provided regarding wildlife in Panama. The main purpose of this Law is to establish that wildlife is part of the natural estate of Panama and that its protection, conservation, recovery, investigation and management, and the

development of genetic resources, as well as unusual species and other varieties of wildlife, are part of the public domain;

6. Law No. 21 of 9 July 1980 as amended by Law No. 57 of 6 August 2008, whereby sea contamination and navigable waters are regulated. The main purpose of this law is to prohibit all disposal of any contaminating substance in navigable waters and Panamanian territorial sea. This prohibition is extended to Panamanian registered ships navigating in international waters;
7. Law No. 3 of 14 January 1957, whereby the protection of natural resources is regulated. The main purpose of this Law is to establish that the conservation, improvement and reforestation of natural resources in Panama is of public interest and utility. As a consequence, provisions in this Law have mainly the following objectives:
 - to avoid soil erosion and facilitate the recovery of affected soil;
 - to maintain favourable conditions for watersheds;
 - to conserve and establish touristic centres; and
 - in general, to conserve and increase forests with useful species for the needs of the various industries applying its raw materials and products;
8. Executive Decree No. 1 of 1 March 2023, whereby the process to assess the environmental impact of projects is regulated;
9. Executive Decree No. 36 of 1 March 2007, whereby the national policy on cleaner production is established. The main purpose of this Decree is to state the main objectives and courses of action for overall cleaner production and to incentivise public and private entities to follow such principles for less contaminating production;
10. Executive Decree No. 34 of 24 May 2019, whereby the national strategy on climate change 2050 is approved. The main purpose of this decree is to establish a course of action at a national level to include national contributions, strategic goals and investment plans, which will be executed by constant monitoring and evaluation;
11. Executive Decree No. 19 of 26 March 2019, whereby access to and control of the use of biologic and genetic resources is regulated. The main purpose of this decree is to establish the fair and equal use and distribution of the benefits derived from the use of biological and genetic resources, with the exception of those from humans; and
12. the Criminal Code of Panama, whereby certain actions or violations of the environmental laws and regulations constitute criminal offences.

International treaties

In the endeavour of contributing to environmental sustainability and protection as part of a worldwide issue, Panama has signed several international treaties and conventions. Some of the most relevant treaties are the following:

- 1.

the Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean (the Escazu Agreement). This Agreement was approved in Panama by means of Law No. 125 of 4 February 2020. The main purpose of this Agreement is to guarantee the full and effective implementation in Latin America and the Caribbean of the rights of access to environmental information, public participation in the environmental decision-making process and access to justice in environmental matters, and the creation and strengthening of capacities and cooperation, contributing to the protection of the right of every person of current and future generations to live in a healthy environment and to sustainable development;

2. the Convention on International Commerce of endangered wildlife and flora. This Convention was enacted by means of Law No. 14 of 28 October 1977. The main purpose is to establish that the commerce of endangered species must be subject to strict regulation and be authorised only under exceptional circumstances. Species that are not yet classified as endangered but may get to that point shall also be included and subject to rigid regulation compatible with their survival;
3. the Vienna Convention for the Protection of the Ozone Layer. This Convention was enacted by means of Law No. 2 of 3 January 1989. The main purpose is to establish all required measures to protect human life and the environment from the adverse results of human activity that may modify the ozone layer;
4. by-laws of the International Union for the Conservation of Nature and its Natural Resources. These by-laws were enacted by means of Law No. 26 of 10 December 1993. They encourage the focus on a common goal, promoting a conservationist culture that ensures the integrity and diversity of nature around the world and the proper, sustainable and equal use of natural resources;
5. the Kyoto Protocol of the United Nations Convention on Climate Change. This Protocol was enacted by means of Law No. 88 of 30 November 1998. The main purpose is to promote energy efficiency in the relevant sectors of the economy; protection and improvement of gas deposits from the greenhouse effect; promotion of sustainable agricultural methods, taking into account climate change; and research, promotion and development of new and renewable sources of energy, among others; and
6. the International Convention on Civil Liability derived from Damages caused by Pollution from Hydrocarbons used as Fuel for Ships. This Convention was enacted by means of Law No. 7 of 14 January 2009. The main purpose is to establish preventive measures to reduce damage relating to sea pollution.

Regulatory oversight

The protection of the environment and natural resources in Panama is overseen by the Ministry of Environment,^[1] which replaced the National Environmental Authority in 2015. The Ministry of Environment is the entity that is nationally responsible for the control, supervision and general overview of the protection of the environment. As such, the Ministry is responsible for developing national environmental and natural resource

policies; issuing rules and resolutions for the implementation of these policies; and evaluating EISs.^[2] It is also the authority responsible for the conservation, protection, and restoration of the environment. The law gives the authority the ability to impose sanctions and fines to ensure compliance with the law and a proper surveillance of the execution of environmental policies. The law also enables the ministry to represent the Republic of Panama before regional and international environmental entities, grant concessions for the use of state properties for renewable energy resource projects and create special protection laws, among other additional duties.^[3]

The Minister of Environment has, inter alia, the following responsibilities:

1. to direct and administer the Ministry;
2. to elaborate proposals on budgets and annual plans of activities;
3. to execute environmental policies, plans, strategies, programmes and special projects;
4. to represent Panama before international and local entities;
5. to authorise acts, financial operations, and studies;
6. to concede and suspend licences, grant concessions on the use of state properties;
7. to promote programmes,
8. to purchase, sell, lease, and negotiate property; and
9. to authorise the EIS conducted to determine any or all the synergistic effects that may be caused to the environment and to wildlife by any specific project.^[4]

The Ministry of Environment is responsible for arranging strategic environmental evaluations for policies, plans and programmes that presume potential strategic opportunities and risks for environmental conservation and for the sustainable use of natural resources in the country.^[5]

The Ministry of Environment may impose administrative fines for violations of the environmental quality regulations, EISs, environmental management plans or resolutions, sustainability and environmental management programmes and laws, related laws or complementary regulations. Such violations shall be sanctioned by the Ministry of Environment by way of a written admonishment, a temporal or definitive suspension of the activities of the company, or a fine according to the severity of the violations. These fines are without prejudice to further principal and accessory fines that may be imposed on the infringing party according to the law.^[6]

The fines imposed by the Ministry of Environment will be proportionate to the severity of the risk or the environmental damage generated by the breach, whether or not it is recurrent, and the economic capacity of the infringing party. The Ministry of Environment may also order the infringing party to pay the cost of clean-up, mitigation or compensation for the environmental damage, without prejudice to any additional civil and criminal liabilities.^[7]

Regarding main resources, essentially, the principal objectives of the Ministry of Environment are to administer, promote, develop, project and apply the policies, strategies, legal regulations, plans and programmes directly to aquaculture, fishing and

related activities based on the principles that ensure the production, conservation, control, administration, monitoring, investigation and the sustainable and responsible use of aquatic resources considering biological, technical, economic, social, cultural, environmental and trade security aspects. It is also responsible for coordinating activities with all the institutions and authorities related to fishing and aquaculture.^[8]

Enforcement

The General Law of Environment provides that administrative liability is independent of civil and criminal liability.^[9] Therefore, civil claims serve to enforce civil liability for infringement of environmental laws and regulations that affect the environment and third parties. Environmental laws contemplate a strict liability that obliges every person or entity to compensate for the damages or contamination caused directly or indirectly to the environment, people or things.^[10]

A civil claim can be filed against individuals or entities by the government, for instance, through the Ministry of Environment, or by individuals or organisations whose purpose is defending the fundamental right to a healthy environment, or by those whose rights have been affected owing to damage caused by violations of environmental laws and regulations^[11]. Consequently, the subject matter of the claim will be the restoration of the affected areas or monetary compensation for the damage caused^[12]. Civil environmental claims have a statute of limitation of 10 years counting from the occurrence of the event causing the damage or knowledge of the same.^[13]

Chapter VI of the General Law of Environment provides for the appointment of a circuit judge with at least five years of experience in environmental matters.^[14] However, to date the Panamanian Supreme Court of Justice has not designated a specific judge to hear environmental cases involving civil liability. In current practice, all judges from the civil circuit courts are competent to solve any controversy or conflict that derives from environmental claims.

There are several pieces of legislation scattered through distinct laws that establish the basis for civil liability in cases of violations of environmental laws and regulations, including the Civil Code of Panama. The Civil Code states that obligations originate from the law, contracts, quasi-contracts and unlawful acts and omissions involving any form of fault or negligence.^[15] Therefore, anyone who by action or omission, involving fault or negligence, causes damage to another person is obliged to repair the damage caused. If the damage is attributable to one or more persons, each of them is jointly and severally liable.^[16] For example, the General Law of Environment and Law No. 21 of 1980 (regulating pollution at sea and in navigable waters) state that the owner or operator of a ship, aircraft, marine or land facility shall be civilly liable for all contamination damage arising from a discharge of a pollutant.^[17]

On the other hand, a criminal proceeding applies to violations of environmental laws and regulations or actions that constitute criminal offences under the Criminal Code of Panama against the environment or land-use planning. The Public Prosecutor's Office is the competent authority to exercise criminal actions. However, any person or organisation knowing of an event or fact that involves a criminal offence against the environment or land-use planning should report the crime to the Public Prosecutor's Office.^[18]

Title XII of the Criminal Code sets out the grounds for criminal liability for violations of environmental laws and regulations. For instance, if a person without authorisation or in breach of existing regulations chops down or destroys trees and shrubs in forests subject to protection, he or she will face a criminal proceeding and a penalty of three to seven years of imprisonment.^[19] Likewise, if a person qualified to carry out an EIS knowingly incorporates or supplies false or inaccurate information, or omits essential information, endangering human health or the environment, he or she shall be punished with two to four years of imprisonment.^[20]

Both individuals and entities can be subject to criminal proceedings. Nevertheless, the Criminal Procedure Code provides that if a proceeding involves an entity (i.e., a legal person), the criminal sanction will apply to its president or legal representative.^[21] Fines ranging from between US\$5,000 and US\$100 million, depending on the severity of the environmental damage caused, can be imposed on a legal entity used to promote, cause, fund or direct criminal offences against the environment.^[22]

The available defences for civil or criminal liability claims regarding violations of environmental laws and regulations are overall encompassed in the Judicial Code and the Criminal Procedure Code, including appeals and affirmative defences. Additionally, insurance and reinsurance companies established in Panama may offer environmental liability insurance as a means of security for economic compensation incurred for damage caused by corporations.^[23]

Reporting and disclosure

Environmental impact study (EIS)

There is no integrated environmental permitting regime. Activities and projects, whether private or public, that may create environmental risks must undergo an EIS prior to the start of the project.^[24] The permits or authorisations shall be relative to the activities of each project, and it is necessary to have an EIS to comply with Law No. 41 and the previous environmental laws. The EIS's purpose and objective is to guarantee fulfilment of the environmental requirements and also to serve for continuous verification by the Ministry of Environment; as such, any person may alert the authorities of violations to the project that are not consistent with the EIS.^[25] These studies are submitted to the Ministry of Environment for evaluation and approval.^[26] Additionally, the Ministry of Environment will subsequently monitor and evaluate the implementation of any activities necessary to mitigate the effects of the project on the environment.

The Ministry of Environment has issued an extensive list of activities that require an EIS, including activities in agriculture and forestry, fishing, mining, food and drink production, textile and leather production, woodwork, the paper industry, manufacturing, recycling, energy production, construction, services, tourism and waste disposal.^[27] The Ministry of Environment may also determine any other activity that carries an environmental risk and requires an EIS.^[28]

EISs are divided into three categories, as follows.^[29]

1. Category I, applicable to projects that do not generate a significant negative environmental impact or do not carry a significant risk of environmental damage;^[30]
2. Category II, applicable to projects that may cause significant environmental damage but where that damage can be eliminated or mitigated through well-known and easily applied means; and
3. Category III, applicable to projects the execution of which could cause large-scale environmental damage, which require a more comprehensive analysis.

A project is considered to produce significant, adverse environmental impact if it meets one or more of the following criteria:

1. it poses a risk to public and environmental health;
2. it may affect the quantity or quality of natural resources;
3. it may cause significant changes to a protected area;
4. it involves the disruption and resettlement of human populations; or
5. it may cause changes to areas that have been declared to be of anthropological, archaeological, historical or cultural value.^[31]

All of these are considered part of the synergistic effects to be considered by the authority while reviewing each EIS.

An EIS must be carried out by qualified professionals, who may be either natural or legal persons, independent from the developer of the project, who are duly certified by the Ministry of Environment for such work.^[32] Failure to carry out an EIS may result in work stoppage and the imposition of fines. In addition, the Ministry of Environment may adopt any interim measures aimed at preventing damage to the environment and to human health, including the suspension of the project or the imposition of precautionary measures to the project or activity.^[33]

A resolution by the Ministry of Environment approving an EIS is valid for two years and it is not extendable. During this time, the execution of the project must begin.^[34]

An EIS must include an environmental management plan (EMP).^[35] These plans are documents that establish in detail and in chronological order the activities that the company must carry out to prevent, mitigate, control and compensate for possible environmental damage, or to increase the positive environmental impact of the activity.^[36] The EMP must also include plans for follow-up and monitoring, as well as for contingency.^[37] Companies are required to comply with these plans, and compliance of the same is monitored by the Ministry of Environment.^[38] In the resolution in which the EIS is approved, the frequency with which periodic reports must be submitted to the Ministry of Environment is established.^[39] These reports must be drawn up by certified environmental auditors.^[40]

Once the EIS is approved, it only admits certain modifications. These modifications are the following:

- 1.

- when the modification of a project, work or activity implies environmental impacts that exceed the norm that regulates them;
2. when the modification of a project, work or activity has not been contemplated in the approved EIS;
 3. when there is a change in the name of the project, work or activity object of the approved EIS;
 4. when there is a change in the developer or legal representative responsible for complying with the entire approved EIS; or
 5. when there is a change in the ownership of the project, work or activity subject to the EIS evaluation process.^[41]

However, a new EIS must be filed for the process of evaluation when the modification submitted constitutes, by itself, a new project, work or activity contained in the list of activities that require an EIS.^[42]

If the project is carried out in a protected area, the EIS must be accompanied by the environmental feasibility approval resolution issued by the Directorate of Protected Areas and Biodiversity.^[43]

All EISs must determine the effects and impacts of climate change and propose adaptation measures to climate change applicable throughout the useful life of the project and in its closure stage.

EIS Categories II and III must include in the EMP the inventory of greenhouse gases and an analysis of the main categories of project emissions (i.e., the carbon footprint during the construction and execution stage of the project). It includes the duty to submit greenhouse gas inventory reports to the Ministry of Environment every 12 months for projects with a duration of more than one year and a report at the end of the construction project.^[44]

The measures to mitigate the effects of the emission of greenhouse gases produced by the project must be included in the EMP.^[45]

Environmental financial guarantee

New Executive Decree No. 1, 1 March 2023,^[46] establishes that the Ministry of Environment may request the promoter to deposit an environmental financial guarantee (EFG) if during the evaluation of the EIS the authority deems it necessary. The EFG will be established according to the EIS category.

The EFG will become effective (1) if the promoter fails to comply with what is approved in the EMP, (2) if it is verified that effects on the environment and (or) health are taking place, (3) due to declared bankruptcy or lack of economic solvency of the company that prevents it from meeting its environmental responsibilities, and (4) other duly justified situations.

Environmental adaptation and management programme(PAMA)

The Ministry of Environment may request an obligatory environmental audit following any accident, or other incident or activity, due to the environmental risk inherent in the same or

due to a need to clean up or rehabilitate a site.^[47] An environmental audit is a systematic evaluation of an activity or project to determine its impact on the environment and evaluate its compliance with environmental laws and regulations.^[48] In particular, the Ministry of Environment may request an environmental audit for projects in the following areas:

1. mining, exploration or production of hydrocarbons;
2. forestry;
3. agro-industry;
4. aquaculture;
5. energy and heavy industry;
6. transportation;
7. waste treatment and disposal;
8. tourism and commercial building projects; and
9. infrastructure projects such as pipelines, hospitals or clinics.^[49]

The environmental audit takes into account the environmental laws and regulations related to the activity, the perception of the activity in the neighbouring community, the environmental aspects and impact of the activity and the risk to health and the environment associated with the project.^[50] Audits conducted in specific industrial sectors may include additional information.^[51]

Companies subject to an environmental audit must contract an authorised environmental auditor who is independent from the company.^[52] Auditors may be individuals or companies and must be duly registered with the Ministry of Environment.^[53]

If the audit determines that the activity in question does not meet the established standards, the company will be required to develop an environmental adaptation and management programme (PAMA).^[54] The goal of the PAMA is to propose specific actions that the company must undertake to ensure compliance with the current environmental laws; mitigate, prevent and correct any negative environmental impact; adopt good operational or engineering practices; and minimise or prevent environmental risks.^[55] In these cases, the company has 90 business days to submit its PAMA to the Ministry of Environment.^[56]

The PAMA must be drawn up by registered environmental auditors or consultants, who may be assisted by experts from the company.^[57] It must include specific objectives that are in line with the findings of the environmental audit, a timeline for carrying out corrective and preventive activities, measurable indicators of progress, a cleaner production plan, an accident prevention plan, a contingency plan and an environmental monitoring plan.^[58]

If the PAMA complies with the minimum requirements established, the Ministry of Environment will approve the plan through an administrative resolution.^[59] If the PAMA is rejected, the company has 20 working days to submit a new PAMA.^[60]

Once the PAMA has been approved, the company is responsible for executing the activities contemplated in the same and complying with the established timeline. In some cases, some of the activities may require an EIS, which must then be prepared pursuant to the regulations for EISs.^[61] The company will also be required to submit periodic reports to

the Ministry of Environment with respect to its progress in implementing the PAMA.^[62] The frequency of these reports will be established in the resolution approving the PAMA.^[63]

If a company is not in compliance with the PAMA, it may be subject to sanctions from the Ministry of Environment.^[64] There are fines up to US\$10,000 and they may be doubled for repeated violations.^[65] Furthermore, businesses may have their operations suspended temporarily or indefinitely.^[66] The sanctions imposed by the Ministry of Environment will correspond to the severity of the risk or environmental damage generated by each company. The offender shall be obligated to clean, restore, mitigate or compensate for the environmental damage it has committed, which shall be assessed according to its economic and technical capacities.^[67]

A company may also choose to submit to a voluntary environmental audit.^[68] Businesses that do so and are found to comply with the environmental laws and regulations will receive a Certificate of Environmental Excellence.^[69] These certificates are valid for three years, and may be renewed at the end of that term following a further voluntary environmental audit.^[70] Violations in the context of voluntary environmental audits or PAMAs may result in various sanctions depending on their severity, including the temporary or definitive revocation of the Certificate of Environmental Excellence and the temporary or definitive removal from the Voluntary Environmental Audit programme.^[71]

Environmental consultants

The Ministry of Environment has a registry of environmental consultants for the preparation of EISs. Any EISs that are not prepared by registered environmental consultants will not be admitted to the evaluation process.^[72] The developer of the project, work or activity will have the responsibility of choosing a registered environmental consultant. However, the consultant can hire unregistered specialists for cooperation in the project. Nevertheless, all EISs need to be signed by registered consultants.^[73]

The following individuals will be disqualified to provide professional services to prepare an EIS: public officials, professionals or technicians who are employees or officials of the Ministry of Environment and work in projects, works or activities coordinated by the Ministry, or the sectorial network of environmental agencies of any state entity.^[74]

The disqualification will remain as long as the impediment that originates it does not cease.^[75]

In the case of national or international consulting companies that temporarily provide their professional services directly or indirectly to the Ministry of Environment, the disqualification to file an EIS will fall exclusively on those specialists who, through the consulting company, provide their services to the Ministry of Environment. This disqualification will remain as long as the impediment that originates it does not cease.^[76]

Environmental protection

Protected areas

The National System of Protected Areas (SINAP) consists of all the legally established protected areas in the country, which are overseen by the Ministry of Environment. These areas include national parks, forest reserves, wildlife refuges and wetlands, among others.^[77] Each protected area is regulated by a specific management plan, which in some cases may allow for limited development activities. The SINAP was created by Law No. 8 of 25 March 2015 and is composed of all the protected areas previously established by the laws, decrees, decisions, municipal agreements or international agreements ratified by the Republic of Panama.

The protected areas are the public property of the state and will be regulated by the Ministry of Environment, recognising the international commitments ratified by the Republic of Panama related to the management and use of protected areas. Protected areas may be subject to administrative concessions and service concessions that may be granted to natural persons or companies, which must comply with public consultations and technical studies.^[78]

Air quality

The standards for air quality are encompassed in Executive Decree No. 5 of 4 February 2009, which establishes the maximum permissible limits for emissions to the air produced by fixed sources with the objective of protecting the population's health, natural resources, and the environment's quality from atmospheric pollution.

Controls

Every new or modified fixed source, whether significant or not, must make use of the best control technology available, which shall be authorised by the Ministry of Environment by means of the administrative resolution approving the EIS. If an EIS is not required, the entity must file its proposal for a programme of the best control technology available at the moment of filing the application for the sanitary permit before the Ministry of Health, which shall confirm its opinion on the programme. This will also require evaluation and approval from the Ministry of Environment for the purpose of issuing the respective sanitary permit. In no case can emissions be greater than the maximum permissible limits as detailed in Executive Decree No. 5 mentioned above.

Monitoring

The Ministry of Environment shall have the equipment and technical personnel qualified to carry out inspections and measurements to verify compliance with the law. The Ministry of Environment shall also develop periodical programmes for the training of its personnel, annually or semi-annually, with regards to measuring the techniques and knowledge of the current applicable regulation, for the supervision, control and accreditation, if necessary, of other public or private entities. Any other public or private entity that wishes to offer these services shall have the appropriate equipment and personnel duly qualified to comply with all methods and requirements provided in the law and shall be duly accredited or authorised by the competent authority.

Prohibitions

The dilution of air emissions from a fixed source with the sole purpose of complying with the law is expressly prohibited. The use of lubricant oils as fuel for boilers, furnaces or other combustion equipment is prohibited unless it is duly authorised by the competent authority and is in compliance with the applicable law.

Sanctions

Notwithstanding any civil, criminal or administrative sanctions as applicable, the infringement or non-compliance by any entity subject to the obligations of the above-mentioned Executive Decree No. 5 shall imply the imposing of the following sanctions by the Ministry of Environment:

1. written warning, applicable only to very minor infractions;
2. a fine up to US\$100,000, depending on the nature of the violation, imposed as follows:
 - mild: from US\$500 to US\$1,500;
 - medium: from US\$1,501 to US\$10,000;
 - severe: from US\$10,001 to US\$50,000; and
 - highly severe: from US\$50,001 to US\$100,000;
3. in the case of repetition of an established infringement, the fine stated above shall be imposed with double the initial fine; and
4. temporal or definitive suspension of the activities of the entity. Temporal closure or suspension shall proceed when the causes leading to the violation can be amended, and such a suspension shall last until the causes are corrected. Definitive suspension shall proceed when a fine is imposed for a highly severe infringement, if the same affects health and the entity has not made the mandated corrections during the time as provided by the competent authority.

Water quality

Law Decree No. 2 of 7 January 1997 establishes the legal and institutional framework for the provision of clean (drinking) water and sewerage services. The main purpose of this Law Decree is to regulate activities related to the provision of public services (i.e., drinking water supply and sanitary sewerage). The main intention is to promote the provision of these public services to the entire population in the country on an uninterrupted basis, under quality conditions and with affordable prices, using natural resources in a sustainable way and protecting the environment.

Authority

The Executive Branch, through the Ministry of Health, is in charge of formulating and coordinating policies for this subsector and any long-term planning. To fulfil this formulation and coordination of policies, along with planning on the drinking water and

sanitary sewerage subsector, the structure of the Ministry of Health shall be adjusted to include a high-level body for these matters (the Directive of the Drinking Water and Sanitary Sewerage Subsector). This body is responsible for the drinking water and sanitary sewerage subsector, specifically with regards to the drinking water supply and sanitary sewerage in both urban and rural areas. The Ministry of Health shall define the position of this body within the organic structure of the Ministry of Health.

Control

The Ministry of Health, in exercise of its preventive health function, shall monitor the quality of drinking water supplied to the population, and the quality of the sewage discharged to receiving bodies, for which it coordinates with the Regulatory Body of Public Services (ASEP) and service providers. However, the ASEP is responsible for the quality control of these services.

The ASEP, created by Law No. 26 of 1996, is in charge of, among other functions, the regulation, control, supervision and inspection of the public supply of drinking water and sanitary sewerage services in the Republic of Panama.

Water quality and prevention

The appropriate levels for the quality of services are as follows.

Potable water quality

The water provided must comply with current technical standards and the provider must establish, maintain, operate and register a regular and emergency sampling regime, both for raw water and water in the treatment process, as well as treated water at the outlet of the purification plant and in the distribution network, in order to control the water throughout the supply system. In the event of a failure and if any quality parameters exceed the tolerable limits, the provider must inform the ASEP immediately, describing the causes, indicating the measures taken, and proposing the actions to be carried out to restore the quality of the water supplied to the population. The regulatory entity will in turn notify the Ministry of Health.

In addition, the Panamanian Commission of Industrial and Technical Norms, which is an advisory body of the Ministry of Commerce and Industries, by means of its Technical Regulations No. DGNTI-COPANIT 23-395-99 establishes the physical, chemical, biological and radiological requirements with which drinking (potable) water must comply. These technical regulations apply for all systems of water supply in both urban and rural areas.

Water pressure

Depending on the features of the service being provided, the ASEP shall establish the requirements on the permissible limits for water pressure measured in connection with the properties receiving the service. The provider must ensure the minimum pressure, and at the same time restrict the maximum pressure in the system to avoid damage to third parties and reduce water losses.

Supply continuity

The drinking water supply service, under normal conditions, must be continuous, without interruptions caused by deficiencies or inadequate capacity of the system. The provider will try to minimise cuts in the supply service, restoring the provision in the shortest possible time in the event of unplanned interruptions. The provider must inform the affected customers of scheduled outages well in advance, providing an emergency supply service if the interruption will be prolonged.

Wastewater treatment

The service provider must adapt the sewage treatment system to current technical standards or to those to be established in the future, in accordance with the degree of treatment planned for sewage, whether primary or secondary.

Quality of wastewater

The wastewater that is discharged to receiving water bodies must comply with the quality standards and other requirements established in regulations, differentiating its application according to the treatment system and its degree of implementation.

The service provider must establish, maintain, operate and register a regular and emergency sampling regime for the effluents discharged at the different points of the system.

In the event of an insurmountable difficulty in the treatment system that causes non-compliance of any regulation, the provider must inform the ASEP immediately, describing the cause that generated it, and proposing the necessary actions to be carried out to restore the quality of the effluents and the reliability of the system. The ASEP shall in turn notify the Ministry of Health.

Sanitary sewer overflows

The service provider must operate, clean, repair, replace and extend the sanitary sewer system in a way that minimises the risk of overflows and the consequent floods caused by system deficiencies, which can only be exceptionally justified by a decision founded by the ASEP, after consulting the Ministry of Health.

Attention to customer enquiries and claims

The service provider must address customer inquiries and claims within a reasonable period of time and in a substantial and satisfactory manner, in accordance with the provisions of their respective services contract.

The providers of drinking water and sanitary sewerage services must establish contingency plans and programmes to prevent and control the negative environmental impacts that result from the provision of these services.

Chemicals and contaminated land

The use of chemicals is regulated in terms of how they affect soil quality. Executive Decree No. 2 of 14 January 2009 establishes the environmental normative of soil quality for diverse uses. The main purpose of such a normative is:

1. to protect human health and ecosystems;
2. to define the generic reference levels and maximum permissible limits for contaminating chemicals in the soil;
3. to establish the methods to be used in chemical and microbiological analysis; and
4. to specify the contents of preliminary reports on the situation, characterisation and remediation of soils.

This normative shall be applied throughout the national territory and is of mandatory compliance for all private, public or mixed entities whose activities represent a risk to human health or to the ecosystem.

Parameters

In land in which at least one of the chemical parameters surpasses the maximum permissible limits, it shall be declared contaminated soil. In this case, the owner of the activity, work or project must file a soil remediation plan with the Ministry of Environment.

The Ministry of Environment, in coordination with environmental sectorial units by means of an administrative resolution, shall declare contaminated soil based on the following criteria:

1. when concentration of contaminating material exceeds the maximum permissible limits; and
2. when concentration of soil by any contaminating material not listed in the generic reference levels exceeds 100 times or more the generic reference level calculated based on the criteria of this Decree.

The Ministry of Environment is in charge of determining which soils are deemed to be of priority for the conservation of ecosystems.

Recovery

The owners of contaminated soil shall deliver an original and copies of a soil remediation plan within a maximum of 120 working days. The contents of such a plan shall be established by the Ministry of Environment by means of an administrative resolution.

The recovery of contaminated soil shall be carried out by applying the best available techniques based on the specific characteristics of each case (especially bio-remediation and engineering techniques). Soil recovery actions must guarantee permanent solutions,

prioritising treatment techniques on site that prevent the generation, transfer and elimination of residues.

If possible, recovery shall be oriented towards eliminating the main sources of contamination and reducing the concentration of soil contamination. If there are justified reasons of a technical, economic or environmental nature, for which recovery is not possible, solutions may be accepted that aim for the reduction of exposure, as long as containment or confinement measures of contaminated soil are included.

Sanctions

Notwithstanding any civil, criminal or administrative sanctions as applicable, the infringement or non-compliance by the owners of the affecting activity, work or project shall be subject to the following sanctions:

1. fines, whose amounts shall be defined via an administrative resolution, in the following cases:
 - if the preliminary report on soil situation is not filed punctually;
 - if the report on soil characterisation (if required) is not filed punctually;
 - if the report on soil recovery (if required) is not filed punctually;
 - if actions to recover soil are not initiated within one year of the approval of the soil recovery plan; and
 - if false information is included in the soil reports;
2. double the imposed fine if the infringement is repeated; and
3. suspension of the activity, if soil recovery actions are not initiated within a year of the approval of the soil recovery plan.

Solid and hazardous waste

By means of Law No. 33 of 30 May 2018, Panama adopted a zero trash policy and created a course of action for the integral management of waste. The main purpose of the policy is to get the most out of waste and natural resources from an economic, environmental and social standpoint, as well as to generate new sources of employment and reduce contamination and its effects on health and the environment.

The collection of hazardous waste is classified by Law No. 33 as follows.

Differentiated collection

This collection allows for the transport of waste that is recyclable, compostable or reusable and that is dangerous or potentially dangerous for collection centres for its recycling, treatment plants, confinement or for its composting, as appropriate.

Hospital waste

This includes any waste resulting from medical activities carried out in health centres, including home aid, prevention activities, diagnosis treatment, rehabilitation and investigation, related to human beings or animals, in pharmaceuticals, legal medical activities, education and any other activity that may involve invasive procedures such as acupuncture, piercings or tattoos. Syringes, biological residues, bandages and others are considered as dangerous hospital waste.

The specific treatment for such waste generated by public and private health establishments is regulated by means of Resolution No. 560 of 19 June 2017 issued by the Ministry of Health. This resolution provides that said treatment must be carried out through systems or equipment within the health facilities or in entities having a valid sanitary permit for such an activity. The treatment must be executed by qualified personnel specialised in this subject.

Public and private health establishments carrying out the activity of dangerous waste treatment must obtain a proof of sanitary inspection issued by the director of the relevant health centre, which is valid for one year.

Dangerous waste

This includes any waste with a chemical reactivity and that has toxic, explosive, corrosive, radioactive, biological, bio-infectious or inflammable characteristics, such as used oils, waste from nuclear centres or from nuclear medicine, electronics-derived waste, mobiles, computers and any other electronic devices that can cause damage to health and to the environment because of their exposure time.

Special handling of dangerous waste

When dangerous or potentially dangerous waste is generated it must be separated from the rest of the waste to be presented separately for its collection, use or confinement, as appropriate. Public entities, as part of the zero trash policy, must have the necessary space for the temporary storage of dangerous waste.

Prohibitions

The importing and cross-border movement of dangerous, radioactive or bio-infectious waste within national territory is prohibited, including the importing of products that have expired or been damaged as per the regulations of their country of origin and regardless of their presentation, as well as any products whose registration has been cancelled in their country of origin or that have reached the end of their useful existence. These provisions do not apply to hospital waste or ship cargo that in the course of navigating outside of Panama passes through the Panama Canal, without stopping in any national port or making any cargo offload in national waters, subject to regulations by the Panama Canal Authority.

Law No. 276 of 30 December 2021 regulates the integral management of waste, establishing liabilities, obligations and functions to be vested in public entities for the reasonable and sustainable handling of waste. This law sets out guidelines and minimum criteria for the storage and treatment of dangerous waste by public entities, including an

obligation to obtain an insurance policy for non-compliance with health and environmental regulations.

Law No. 187 of 2 December 2020 regulates the reduction and progressive replacement of single use plastic products. This law includes, among others, an obligation for commercial businesses to create an internal policy to reduce single use plastics and a transition plan including social responsibility aspects, to invest in reusable containers, to eliminate gradually single-use plastic products, to carry out internal evaluations and inspections, and to promote awareness and education programmes to achieve these initiatives.

Climate change

The Republic of Panama recognises climate change by virtue of Article 55 of Law No. 8 of 25 March 2015, which added a climate change title in Law No. 41 of 1 July 1998. Climate change is a worldwide phenomenon that is important within the environmental sector and reflects on the population, ecosystems and every economic sector of the country. The Ministry of Environment, together with the competent authorities, is responsible for promoting initiatives to adapt to climate change so as to increase the resiliency of the country and to combat its adverse effects. The state recognises its responsibility and has created a Fund for the Adaptation to Climate Change.^[79]

The Ministry of Environment recently enacted a Climate Change Guide^[80] for the planning, pre-feasibility and feasibility of public investment projects that will help government entities to evaluate investment projects, identify climate change criteria and determine the mitigation measures to be applied. This Guide defines the steps for the evaluation of climate risks and mitigation measures of public investment projects in infrastructure.

In September 2022, the government approved the National Climate Change Strategy 2021–2031 for environmental management for the restoration of ecosystems and for sustainable and inclusive development.^[81] The development of this national strategy was in response to a crucial moment in Panama in terms of health matters caused by the covid-19 pandemic, seeking to contribute to family economy, in light of the impact that this pandemic had on the national economy. These circumstances generated the need to establish new national priorities and a better awareness of the need to drive the country to economic, environmental and social sustainability.

In the National Assembly, Bill No. 942, the 'Climate Change Framework', was proposed by the Executive Branch and concerns the establishment of a national climate change cabinet, as well as an inter-institutional climate change system.

In addition, it seeks to establish the regulations and requirements to participate in the National Carbon Market and for the transaction of negotiable climate financial instruments.

Specialised Multidisciplinary Team (EME-AMBIENTAL)

By virtue of Executive Decree No. 2 of 29 December 2025, a new interinstitutional technical team called the Specialised Multidisciplinary Team (EME-AMBIENTAL) was created to strengthen coordination between the Ministry of Environment and other state entities in

matters of prevention, detection, investigation and control of environmental administrative offenses and environmental crimes, in accordance with the guidelines established in Article 10 of Law No. 8 of 25 March 2015.^[82]

The EME-AMBIENTAL constitutes a functional unit of technical-operational character, without legal personality, autonomy or its own competences, acting exclusively as a support body under the direction of the Ministry of Environment. The EME-AMBIENTAL is entrusted with supporting the Ministry of Environment and the Public Prosecutor's Office in the prevention, detection and investigation of environmental offences and crimes.^[83] Its functions include assisting in inspections and administrative sanctioning procedures, accompanying officials in the filing of complaints or participation in proceedings, preparing technical reports to support investigations, and issuing periodic follow-up reports. It also provides technical assistance in internal inquiries related to possible administrative or disciplinary misconduct and undertakes any other tasks assigned by the Minister of Environment.^[84]

Biological and genetic resources

The Ministry of Environment is the authority in charge of the regulation and control of the access and use of biological, genetic, and derivative resources in general, except those of the human species.^[85] Access to biological and genetic resources is subject to the acquisition of an authorisation.^[86]

There are different types of authorisations that must be granted to obtain access to biological and genetic resources for scientific research. Regarding the access to genetic resources, there are two types of authorisations: (1) for access to non-commercial genetic resources; and (2) for access to genetic resources for commercial purposes.^[87]

Every request for an authorisation must be filed before the Access to Genetic Resources Section for its evaluation.^[88] Authorisations for non-commercial access will be granted for up to three years.^[89] For authorisations for genetic resources for commercial purposes, a benefit sharing agreement needs to be subscribed between the applicant and the Ministry of Environment.^[90]

Outlook and conclusions

The Republic of Panama has been consistent in its efforts to keep up with global standards on environmental matters and provide an adequate structure for the implementation of such measures required to ensure the protection, conservation and recovery of nature and its resources, which are covered in various pieces of legislation. However, this is still an ongoing process and there is a path to follow towards a culture of environmental awareness, scrutiny and enforcement, which goes beyond enacted statutes.

Likewise, and as part of a constantly moving debate, there are some pending pieces of legislation and projects that, even though they have not been formalised, are at least a sign of public interest in the matter. The bills that are currently pending have been proposed throughout 2019 and 2023, and mainly concern:

1. the reasonable and sustainable handling of waste;

2. the reforestation of rivers in Panamanian territory;
3. regulation on the integrated management of hydraulic resources;
4. a general law on hydraulic resources, their protection and their use;
5. the establishment of an integral protection system for coral reefs and associated ecosystems;
6. regulation of the recycling and use of used tyres;
7. the establishment of nature rights and the state's obligations in connection with such rights;
8. updating of the National Policy of Climate Change in Panama to 2050, including an action plan and establishment of a set of indicators for follow-up and evaluation;
9. formulating a framework law on climate change through a process of citizen participation including involvement of key stakeholders (private sector, academy and other groups), public institutions with competence on climate change, and citizens at regional and sectorial levels, based on a strategic diagnosis and institutional analysis; and
10. the promotion of and incentives for the recycling of electric and electronic waste.

Endnotes

- 1 Law No. 8, 25 March, 2015, Articles 1–9. Creates the Ministry of Environment and describes its functions. [^ Back to section](#)
- 2 Law No. 41, 1 July 1998, Article 5. [^ Back to section](#)
- 3 Law No. 8, 25 March 2015, Article 2. [^ Back to section](#)
- 4 Law No. 8, 25 March 2015, Article 7. [^ Back to section](#)
- 5 Law No. 8, 25 March 2015, Article 19. Article 5 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 6 Law No. 8, 25 March 2015, Article 50, which modifies Article 112 of Law No. 41 of 1 July 1998. Article 107 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 7 Law No. 8, 25 March 2015, Article 51, which modifies Article 114 of Law No. 41 of 1 July 1998. Article 111 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 8 Law No. 8, 25 March 2015, Article 59, which modifies Article 3 of Law No. 44 of 23 November 2006. [^ Back to section](#)

- 9 Article 106 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 10 Articles 2 and 104 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 11 Article 113 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 12 Article 114 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 13 Article 115 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 14 Articles 121 and 122 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 15 Civil Code, Article 974. [^ Back to section](#)
- 16 Civil Code, Article 1644. [^ Back to section](#)
- 17 Article 102 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016 and Law No. 21, 9 July 1980, Article 17. [^ Back to section](#)
- 18 Article 116, Article 102 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016 and Criminal Procedure Code, Articles 81 and 111. [^ Back to section](#)
- 19 Criminal Code, Article 406. [^ Back to section](#)
- 20 Criminal Code, Article 412. [^ Back to section](#)
- 21 Criminal Procedure Code, Article 97. [^ Back to section](#)
- 22 Criminal Code, 423. [^ Back to section](#)
- 23 Article 108 in Unified Text of Law No. 41, 1998, published by the National Assembly in OG 28131-A, 4 October 2016. [^ Back to section](#)
- 24 Article 7 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 25 Article 110 of the Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)

- 26** Article 7 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 27** Executive Decree No. 1, 1 March 2023, Article 19. [^ Back to section](#)
- 28** Executive Decree No. 1, 1 March 2023, Article 21 [^ Back to section](#)
- 29** Executive Decree No. 1, 1 March 2023, Article 23. [^ Back to section](#)
- 30** Category I EISs are constituted through a duly notarised sworn declaration. Failure to comply with this declaration will result in fines as established in Law No. 41, 1 July 1998, independent of any criminal sanctions that may apply. [^ Back to section](#)
- 31** Executive Decree No. 1, 1 March 2023, Article 22. [^ Back to section](#)
- 32** Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016, Article 11. [^ Back to section](#)
- 33** Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016, Article 15. [^ Back to section](#)
- 34** Executive Decree No. 1, 1 March 2023, Article 74. [^ Back to section](#)
- 35** ,Executive Decree No. 1, 1 March 2023, Article 25 of the minimum requirement list. In addition, an EIS must include:
 (a) general information about the promoter, that must include: (1) their name;, (2) if it is a legal entity, then the name of its legal representative; (3) person to contact; (4) address or place where they receive professional or personal notifications, along with apartment or house number, name of building or urbanisation, street, township district and province; (5) phone numbers; (6) email address; (7) website; and (8) consultant's name and registration, (b) a detailed description of the project or activity; (c) a description of the physical, biological and socioeconomic environment; and (d) an identification of specific environmental and social impacts. [^ Back to section](#)
- 36** Executive Decree No. 1, 1 March 2023, Article 25. [^ Back to section](#)
- 37** Executive Decree No. 1, 1 March 2023, Article 2. [^ Back to section](#)
- 38** Executive Decree No. 1, 1 March 2023, Article 88. [^ Back to section](#)
- 39** Executive Decree No. 1, 1 March 2023, Articles 88 and 89 [^ Back to section](#)
- 40** Executive Decree No. 1, 1 March 2023, Articles 88 and 89. [^ Back to section](#)
- 41** Executive Decree No. 1, 1 March 2023, Article 75. [^ Back to section](#)

- 42** Executive Decree No. 1, 1 March 2023, Article 79. [^ Back to section](#)
- 43** Executive Decree No. 1, 1 March 2023, Article 30. [^ Back to section](#)
- 44** Executive Decree No. 1, 1 March 2023, Article 35. [^ Back to section](#)
- 45** Executive Decree No. 1, 1 March 2023, Article 36. [^ Back to section](#)
- 46** Executive Decree No. 1, 1 March 2023, Articles 116 to 118. [^ Back to section](#)
- 47** Executive Decree No. 57, 10 August 2004, Article 17. At this time, the Ministry of Environment will also require an environmental adaptation and management programme. [^ Back to section](#)
- 48** Executive Decree No. 57, 10 August 2004, Article 2. The audits may be obligatory or voluntary, in which case the business involved, on its own initiative, presents its findings to the Ministry of Environment. [^ Back to section](#)
- 49** Executive Decree No. 57, 10 August 2004, Article 18. [^ Back to section](#)
- 50** Executive Decree No. 57, 10 August 2004, Article 25. The Procedure Manual for the Elaboration and Evaluation of Environmental Audits and Environmental Adaptation and Management Programmes was approved through Resolution No. AG-0526-2006. [^ Back to section](#)
- 51** Executive Decree No. 57, 10 August 2004, Article 25. The article establishes a minimum of information to be covered; further information may be required. [^ Back to section](#)
- 52** Executive Decree No. 57, 10 August 2004, Article 11. Companies being audited are required to provide all the information necessary to conduct the audit; this information provided may not be used without the proper authorisation of the company. [^ Back to section](#)
- 53** Executive Decree No. 57, 10 August 2004, Article 11. [^ Back to section](#)
- 54** Executive Decree No. 57, 10 August 2004, Article 27. [^ Back to section](#)
- 55** Executive Decree No. 57, 10 August 2004, Article 33. [^ Back to section](#)
- 56** Executive Decree No. 57, 10 August 2004, Article 34. [^ Back to section](#)
- 57** Executive Decree No. 57, 10 August 2004, Article 35. [^ Back to section](#)

- 58** Executive Decree No. 57, 10 August 2004, Article 36. Sector-specific requirements were drawn up by the Ministry of Environment in coordination with other relevant actors and have been included in the Procedure Manual for the Elaboration and Evaluation of Environmental Audits and Environmental Adaptation and Management Programmes (see Resolution No. AG-0526-2006). [^ Back to section](#)
- 59** Executive Decree No. 57, 10 August 2004, Article 40. [^ Back to section](#)
- 60** Executive Decree No. 57, 10 August 2004, Article 43. The PAMA may be rejected if any two of the following issues arise: (1) non-compliance with the environmental laws, decrees, regulations and resolutions applicable to the company; (2) non-compliance with minimum requirements established in Executive Decree No. 57 and the Procedure Manual; (3) falsification of documents included in the PAMA; (4) plagiarism; (5) if the PAMA was carried out by persons not properly registered or authorised by the Ministry of Environment; (6) if the PAMA does not respond to the findings of the environmental audit; and (7) multiple typographical or formatting errors. (Article 42) [^ Back to section](#)
- 61** Executive Decree No. 57, 10 August 2004, Article 44. [^ Back to section](#)
- 62** Executive Decree No. 57, 10 August 2004, Article 45. The reports must be drawn up by a licensed professional authorised by the Ministry of Environment. The reports must include the following: (a) a description of the actions carried out during the reporting period; (b) the objects and goals reached; (c) a description of the actions carried out to correct the shortcomings found in the environmental audit; (d) the PAMA compliance follow-up and the results achieved with respect to the project's indicators; (e) a comparison between the actual progress made and the progress planned; (f) any problems encountered and proposed solutions; (g) any plans for the following reporting period; and (h) tests, analyses, photos, registrations and any other documentation that provides objective evidence of compliance with the PAMA. [^ Back to section](#)
- 63** Executive Decree No. 57, 10 August 2004, Article 41. [^ Back to section](#)
- 64** Executive Decree No. 57, 10 August 2004, Article 46. [^ Back to section](#)
- 65** Executive Decree No. 57, 10 August 2004, Article 81. Violations of the regulations are punished as follows: (a) initially, with a written warning; (b) with fines ranging from between US\$300 and US\$10,000 depending on the seriousness of the violation; (c) additional fines of double the amount imposed under (b) for repeated violations; and (d) temporary or indefinite suspension of the company's activities. [^ Back to section](#)
- 66** Executive Decree No. 57, 10 August 2004, Article 81. [^ Back to section](#)
- 67** Law No. 8, 25 March 2015, Article 51. Article 114 in Unified Text of Law No. 41, 1998, published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)

- 68** Executive Decree No. 57, 10 August 2004, Article 53. Companies wishing to undergo a voluntary environmental audit must undergo the same process as those companies taking part in an obligatory environmental audit (see Articles 54 and 55). [^ Back to section](#)
- 69** Executive Decree No. 57, 10 August 2004, Article 60. Companies may also choose to undergo a voluntary environmental audit to take advantage of temporarily reduced requirements for compliance as established by the laws regulating environmental quality and maximum permissible limits (see Article 53). In such a case, the company will not be able to apply for a Certificate of Environmental Excellence. [^ Back to section](#)
- 70** Executive Decree No. 57, 10 August 2004, Article 73. [^ Back to section](#)
- 71** Executive Decree No. 57, 10 August 2004, Article 81. These sanctions may be in addition to any applicable punishment under the general environmental law. [^ Back to section](#)
- 72** Executive Decree No. 1, 1 March 2023, Article 60. [^ Back to section](#)
- 73** Executive Decree No. 1, 1 March 2023, Article 14. [^ Back to section](#)
- 74** Executive Decree No. 1, 1 March 2023, Article 102. [^ Back to section](#)
- 75** Executive Decree No. 1, 1 March 2023, Article 101. [^ Back to section](#)
- 76** Executive Decree No. 1, 1 March 2023, Article 98. [^ Back to section](#)
- 77** Law No. 8, 25 March 2015, Article 16. Article 2 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 78** Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016, Article 7 and Article 66. [^ Back to section](#)
- 79** Law No. 8, 25 March, 2015, Article 55. Articles 82 to 88 in Unified Text of Law No. 41, 1998 published by the National Assembly in GO 28131-A, 4 October 2016. [^ Back to section](#)
- 80** Resolution No. DM-0131-2022 of 15 June 2022 issued by the Ministry of Environment. - [^ Back to section](#)
- 81** Executive Decree No. 12, 24 September 2022, Article 1. [^ Back to section](#)
- 82** Executive Decree No. 2, 29 December 2025, Article 1. [^ Back to section](#)
- 83** Executive Decree No. 2, 29 December 2025, Article 2. [^ Back to section](#)
- 84** Executive Decree No. 2, 29 December 2025, Article 3. [^ Back to section](#)

- 85** Executive Decree No. 019, 26 March 2019, Article 5. [^ Back to section](#)
- 86** Executive Decree No. 019, 26 March 2019, Article 6. [^ Back to section](#)
- 87** Executive Decree No. 019, 26 March 2019, Article 8. [^ Back to section](#)
- 88** Executive Decree No. 019, 26 March 2019, Article 9. [^ Back to section](#)
- 89** Executive Decree No. 019, 26 March 2019, Article 13. [^ Back to section](#)
- 90** Executive Decree No. 019, 26 March 2019, Article 40. [^ Back to section](#)



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