

How much does electricity cost in Panama?

Electricity in Panama has 3 rates, depending upon your use. If you use less than 300 kWh, your rate is subsidized. Which is how some people have monthly electricity bills of only \$4. If you use between 300- 750 kWh, you pay at a higher rate. If you use more than 750kWh, you pay at the highest rate.

Why is Panama so attractive to investors?

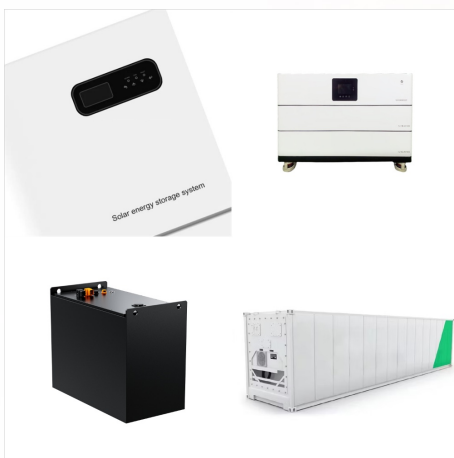
Image: Avanzalia Among the Central American states, Panama has become very attractive to investors, not only because it boasts a stable government and uses the US dollar as its currency, but also due to the government now deploying a range of fiscal incentives to support PV, including an exemption on import taxes.

Does Panama import oil?

Panama imports all its oil products (8 Mt in 2021), as the production of oil products ceased in 2003 when the refinery was transformed into an import terminal. In 2022, the price of electricity increased by 14% for industry to US\$15.2/kWh and by 8% for households to US\$16.5/kWh. This follows two years of declining prices.

Are electricity prices higher in Mexico or Costa Rica?

Electricity prices are much higher than in Mexico (+80% for households) and in Costa Rica (around +25% for both industry and households). In 2021, energy consumption per capita was 1 toe, including 2 200 kWh of electricity. Total energy consumption rose by 12% to 4.4 Mtoe in 2021, after a 19% drop in 2020.



Incentives available for solar projects in Panama at present include an exemption from import tax, as well as the ITMBS (VAT) for the import or local purchases of equipment, parts or materials



Panama Solar Photovoltaic Market Drivers and Challenges; Panama Solar Photovoltaic Price Trends; Panama Solar Photovoltaic Porter`s Five Forces; Panama Solar Photovoltaic Industry Life Cycle; Historical Data and Forecast of Panama Solar Photovoltaic Market Revenues & Volume By Technology for the Period 2020-2030



The Panamanian solar power market is expected to grow significantly in the coming years, driven by several factors, including favorable government policies, declining solar PV costs, rising electricity demand, and surging electricity prices.



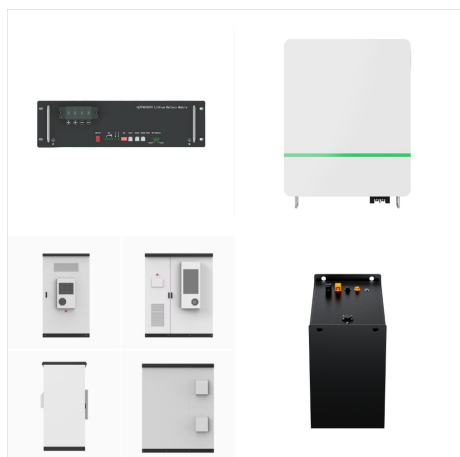
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The National Assembly of Panama adopted Law 417, published on 27 December 2023, which revises Law 37 of 2013 and broadens the incentive framework for the solar power sector. New incentives include tax exemptions and import duty reliefs for all individuals and entities involved in the solar industry, covering equipment and materials ???



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Last year we installed a solar system by a company called Solar Symtech, they installed 12 panels and it was priced \$4k we paid the half to get the system installed and now we are paying \$50 a month until we finish to pay the other half



About 16 banks in the Panamanian square received training on photovoltaic solar energy and at least six have specific mechanisms to finance solar systems for the population "at a good price," including the Savings Bank, ???



Panama Energy Prices: In addition to the analysis provided on the report we also provided a data set which includes historical details on the Panama energy prices for the follow items: price of premium gasoline (taxes incl.), price of diesel (taxes incl.), price of electricity in industry (taxes incl.), price of electricity for households



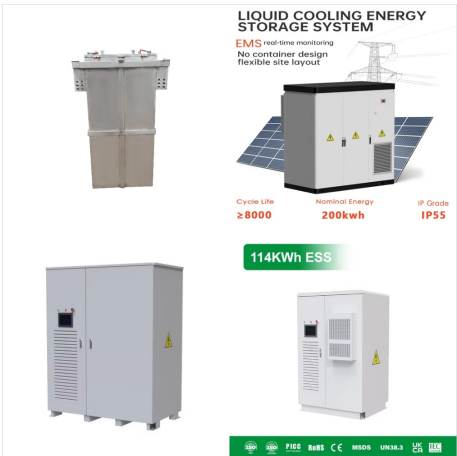
While solar panels for homeowners in Panama can be pricey, the valuable tax incentives make them a worthwhile investment. Let's expand on how to set up a solar system in Panama. Obtaining legal permits and approvals (only if you're opting for on-grid inverter systems)



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About 16 banks in the Panamanian square received training on photovoltaic solar energy and at least six have specific mechanisms to finance solar systems for the population "at a good price," including the Savings Bank, as explained by the official.



Panama also offers some interesting incentives for an increase of solar energy generation: import of equipment free of sales tax and import duty, 5% tax credit, accelerated depreciation. Finally, the marginal spot price is over US\$ 270 per MWh.