

Semiconductor supply chain strengthened by Panama-U.S. alliance

In recent days, Panama and the United States announced establishing a collaboration to strengthen trade relations between the two countries with respect to the semiconductor supply chain.

The semiconductor industry occupies a crucial position in the logistics chain, and its demand has significantly increased in recent years. However, the sector's supply chain has faced several obstacles, including the consequences of the pandemic and geopolitical influences affecting international trade.

In light of these problems, Panama and the United States have come together to investigate approaches to improving the semiconductor supply chain, focusing on strengthening its stability and resilience.

Establishing this new alliance between the United States and Panama presents significant prospects for mutual advantages. This agreement allows the United States to increase the diversity of sources in its semiconductor supply chain, thereby decreasing its dependence on a single producer and reducing its vulnerability to potential disruptions. Due to its advantageous geographical position as a center of international trade, Panama has the potential to function as a bridge for U.S. companies seeking to improve their semiconductor manufacturing and distribution networks within Latin American and the Caribbean.



The agreement offers Panama the opportunity to accelerate its technological and economic advancement. Collaboration with the United States in the semiconductor sector will contribute to knowledge transfer, capacity building, and adopting new technologies. This collaboration will provide tax and labor opportunities, raising the country's potential to attract a greater volume of foreign direct investment, increase GDP, and bringing Panama into the global technological arena.