

Comprehensive Prevention: An essential foundation for preserving corporate credibility and enabling secure transactions.

Business growth in Panama today unfolds through diverse corporate structures, including organic expansion, commercial partnerships, internal reorganizations, the admission of new shareholders, financial operations, and, of course, mergers and acquisitions. In each of these scenarios, one critical element is indispensable to ensure the viability of operations and compliance with international standards: the prevention of money laundering, terrorism financing, and the proliferation of weapons of mass destruction (ML/TF/WMDP).

In this context, due diligence should not be viewed merely as a regulatory requirement, but rather as an essential preventive control mechanism. Its primary purpose is to ensure that the companies involved in, or resulting from, any transaction do not pose risks of being used—whether intentionally or inadvertently—as vehicles for illicit activities. This entails conducting a thorough review of the origin of funds, the traceability of operations, compliance history, individuals and entities linked to the corporate structure, and any red flags associated with exposure to ML/TF/WMDP risks.

In Panama, this preventive approach carries heightened importance due to international scrutiny concerning financial transparency and the country's strategic role as a logistics and services hub. An insufficient or superficial analysis may not only expose the parties to legal and reputational risks, but also jeopardize business continuity, create banking obstacles, and even compromise the completion of the transaction.

Operations that incorporate a robust ML/TF/WMDP prevention assessment not only progress more smoothly, but also contribute to strengthening Panama's reputation as a safe



and reliable jurisdiction for investment—particularly in a global environment in which corporate responsibility and transparency are increasingly demanded.

For these reasons, prevention-focused due diligence must be understood as a protective tool capable of safeguarding all parties, preserving the integrity of the business, and ensuring its long-term sustainability. It is not solely a matter of complying with regulations, but of protecting the value and reputation of the operation.

At ALCOGAL, we are fully prepared to assist you throughout this process, providing expert and personalized support at every stage of the preventive analysis.



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