Amsterdam MEETING OF THE BOARD OF DIRECTORS
Tuesday, May 24, 2011
2:00 pm – 4:00 pm

I. Call to Order/Representatives Present
PRAC Chairman, Ray Batla (Hogan & Hartson) called the meeting of the Board of Directors to order.

The following representatives were present during the Board Meeting or participated in the various activities during the conference including the Practice Group and Committee meetings, and other programme events:

Ali Budiardjo Nugroho Reksodiputro
Ricky Nazir

Allende & Brea, Argentina
Pablo Louge, Osvaldo Marzorati

Baker Botts – Houston
Stuart Schaffer, David Powers, Catherine Austin, Kristin Berry

Brigard Urrutia - Colombia
Carlos Urrutia

Carey y Cia – Chile
Jorge Carey

Clayton Utz, Australia
Ross Perrett, John Shirbin

Davis Wright Tremaine LLP – Seattle, Los Angeles U.S.A.
Sarah Tune

Fraser Milner Casgrain - Toronto, Canada
Chris Pinnington, Rick Scott, John Lorne McDougall

Gide Loyrette Nouel – Paris, France
Christophe Eck

Goodsill Anderson Quinn and Stifel – Honolulu, USA
John Lacy

Hoet Pelaez Castillo & Duque - Venezuela
Fernando Pelaez

Hogan Lovells DC
Ray Batla, Claudette Christian, Oxana Balanya (Moscow)

Hogan Lovells Hong Kong
Gabriela Kennedy, Tim Fletcher, Patrick Sherrington (London)

Kim, Chang & Lee, Seoul
KJ Choi

King & Wood – Beijing
Wang Ling; Harry Du

Kochhar & Co., New Delhi, India
Anjuli Sivaramkrishnan (Gurgoan) Stephen Mathias; J Sivananadaraaj (Chennai); Stephen Mathias (Bangalore);

Lee and Li, Taipei
Joyce Face

Luce, Forward, Hamilton & Scripps LLP – San Diego, Los Angeles, USA
David Hymer; Nancy Scull

Mulla Mulla & Craigie Blunt & Caroe, Mumbai
Shardul Thacker, Purnima Singh; Yazdi Dandiwala

Muniz Ramirez Perez-Taiman & Luna Victoria, Peru
Jorge Perez-Taiman

NautaDutilh, The Netherlands, Belgium, Luxembourg
Jaap Stoop, Chris Warner,Jaap Jan Trommel, Gaike Dalenoord, Michaela Ulrici, Peter van der Meij, Daan Lunsingh Scheurleer, Petra Zijp, Gijs Gerretsen, Wijnand Bossenbroek, Homme ten Have Leo Groothuis, Elke Janssens, Greet Wilkenhuysen, Jean-Marc Groelly, Maarten ten Kate

Nishimura & Asahi – Tokyo
Takemi Hiramatsu,

Pacific Rim Advisory Council, Toronto
Susan Iannetta

Richards Buell Sutton, Vancouver, Canada
Jeff Lowe

Rodyk & Davidson, Singapore
S. Sivanesan, Edric Pan

Santamarina y Steta, Mexico
Vicente Grau

Simpson Grierson, New Zealand
John Shackleton

Skrine, Malaysia (HOST FIRM)
Kah Leng Chen; Theresa Chong, Pao Yii Phua; Leong Wai Hong; Vinayaga Rajaratnam

Sycip Salazar Hernandez & Gatmaitan, Philippines
Rafael Morales; Ricardo Ongkiko

Tilleke & Gibbins International Ltd, Thailand
Not represented

Tozzini Freire Teixeira e Silva, Brazil
Marcio Baptista, Ana Claudia Utumi

Wilson Sonsini Goodrich & Rosati
Steve Bernard

II. Approval of Agenda. The Chairman sought approval of the agenda. Upon motion duly made, seconded, and unanimously carried, the agenda set forth in the conference materials was approved.

III. Approval of Minutes of Mexico City Conference
Following review of the draft minutes, the Board approved a motion duly made, seconded and unanimously carried. **RESOLVED**: Kuala Lumpur 2010 Board of Directors as set forth in the conference materials are approved.

IV. Chairman's Report
The Chairman commented generally on the strengths of PRAC, its attractive membership size and thus relative intimacy and the high level of participation by delegates in the conference proceedings.

1. NautaDutilh PRAC Chairman reported on the comments he had received with respect to the Amsterdam Conference and the personal and professional contributions by the Host Firm to every aspect of the Conference.

Following discussion and upon motion duly made, seconded and unanimously carried, the following resolution was adopted:

WHEREAS the law firm N**autaDutilh** is a member of the Pacific Rim Advisory Council; and

WHEREAS, the success of the 48th International Conference of the Pacific Rim Advisory Council has been specifically due to the efforts and enthusiasm of the entire **NautaDutilh** firm who have dealt patiently with the countless details and complexities of hosting an International Conference and, in particular the Host Committee Members:

Jaap Stoop
Chris Warner
Maarten ten Kate
Irma Paarlberg
Miranda Bonder
Kyra Zwart
Joke van Beek
Manja Schalkwijk
Danielle de Jong

RESOLVED that the Pacific Rim Advisory Council extends **NautaDutilh** its deepest gratitude for planning and hosting the 49th International Conference in Amsterdam.

RESOLVED that the Pacific Rim Advisory Council extends to **NautaDutilh** its best wishes for continued success; and that the original of this resolution be presented to **NautaDutilh** with commendation and honours; and that a copy of this resolution be maintained in the archives of the Pacific Rim Advisory Council.

V. Practice Group Recommendations.
1. Banking & Workouts
2. Corporate Commercial
3. Intellectual Property & Licensing
4. Dispute Resolution Practice Group
5. PRACtice Management

PRACtice Group co-chairs commented on planning for future conferences. Members were invited to contribute to future conferences by way of speaker participation and also to provide comments, feedback and suggestions by way of the Post Conference Survey.

VI. Policy & Planning – PPC Chair, Jorge Perez-Taiman
Committee Chair commented on the many positive aspects of the conference and in particular the high level attendance by our Host Firm and in home partners dinners**.**

VII. Financial – Ray Batla & Jorge Perez Taiman
Following a full report, the Board approved a motion duly made, seconded and unanimously carried.
RESOLVED that the Board of Directors approve the 2011 1st Quarter Budget.

VIII. Membership Committee (as reported by John Shirbin) Committee Report attached as Exhibit "A".

Panama and Central America. *Ed Note:* Due to travel schedule changes this item was heard during Monday's business program to afford the opportunity for attendance by Membership Committee member Carlos Urrutia and author of a Stage 1 Report on Panama and Central America.

Following review and consideration of the membership at large, the Stage 1 Report for Panama and Central America was approved and that the Membership Committee will proceed to Stage 2 (due diligence) for two separate jurisdictions of Panama and Central America. Member firms were asked to provide law firm recommendations for the region to the Committee. It is intended that the due diligence will be carried out with a view to providing a Stage 2 Report and recommendations for admission in advance of the Singapore Conference.

Boston. . Chair reported that due to the economic constraints which are continuing to be felt in North America potential candidate firms for Boston will be reviewed with a view to providing an update in Singapore 2011.

Los Angeles. Chair reported that due to the economic constraints which are continuing to be felt in North America and in particular, the west coast, efforts to replace the Shared City concept by installing a single member firm would be put in abeyance temporarily with a view to keeping it on the agenda for review in Singapore. Members were asked to direct their views on potential candidate firms, as well as potential additional jurisdictions to the Membership Committee.

Other. In light of the ever changing global legal market and the continued abeyance for Los Angeles and Boston, the Membership Committee will undertake a survey of the Membership-at-Large to solicit confidential comments and views regarding membership expansion moving forward. The survey results will be formalized for the Committee's consideration at Singapore's conference.

IX. Conference Committee
2011 Singapore – October 15-11
2012 Houston – April 21-24
2012 Buenos Aires – October 20-23

Further dates will be reviewed with a view to incorporating newly admitted member firms into the schedule with the hosting rotation of all member firms.

X. Nominating Committee (Chair, S. Sivanesan)
Chair reported on the polling results of the membership-at-large by the Nominating Committee that the following appointments were fully supported for the incoming term January 2012 through December 2013:

Chair – Jorge Perez Taiman – Lima
Vice Chair – Jeffrey J. Lowe – Vancouver

XI. Adjournment.
There being no further business the Board Meeting then adjourned and the Amsterdam 2011 Conference closed.

Attest:

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Raymond J. Batla
PRAC Chairman – Hogan Lovells

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Susan Iannetta
Director, Pacific Rim Advisory Council - Toronto

Attachment "A" to Amsterdam Board Minutes

April 25, 2011

TO: PRAC Member Firms

FROM: John Shirbin, Chair PRAC Membership Committee

RE: STAGE ONE REPORT - Central America and Panama

Dear PRAC Members:

The attached Stage 1 Report is for your review and consideration. The Membership Committee supports the report and the recommendations therein and recommends approval at the Amsterdam Board Meeting.

If you have any questions, please feel free to direct them to any member of the Membership Committee in advance of the 24 May Board Meeting.

John Shirbin, Clayton Utz, Chair PRAC Membership Committee
Members: Joyce Fan (Lee and Li); Jeff Lowe (Richards Buell Sutton); Jaap Stoop (NautaDutilh); Carlos Urrutia (Brigard & Urrutia); Ray Batla, (Hogan Lovells) Ex Officio; Susan Iannetta (PRAC) Ex Officio.

The purpose of this memorandum is to officially request the initiation of a Stage Two Review regarding the Republic of Panama and the region of Central America. PRAC does not have a member in Panama or in any of the countries of Central America. Due to Panama's relevance in the global market, we suggest inviting one Panamanian firm and one Center American firm to represent the region.

I. INTRODUCTION

Central America is the isthmus of land between the southern border of Mexico and the northwest border of Colombia, in South America. It is generally regarded as consisting of the countries of Belize, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. Although part of Central America, Panama tends to be regarded separately, with particularities of its on stemming from its tradition as a nation that depends on international trade.

The Central American land mass is over 523.000 square kilometers in area. The combined population of the seven countries in the region is 40,545,745 (2007 est.)

Spanish is the official language throughout the region except in Belize (English is the official language there, a carry-over from that country's heritage as a Brazilian colony).

Central America is currently undergoing a process of political, economic and cultural transformation that initiated in 1907 with the creation of the Central American Court of Justice. In 1991, the integration agenda was further advanced by the creation of the SICA, Sistema para la Integración Centroamericana or System for the Central American Integration. The SICA provided a clear legal basis to avoid disputes between the member states. The SICA membership includes the 7 nations of Central America plus the Dominican Republic, a state that is traditionally considered part of the Caribbean.

On December 6, 2008 SICA announced an agreement to pursue a common currency and common passport for the member nations. No timeline for implementation was discussed.

Central America already has several supranational institutions such as the Central American Parliament, the Central American Bank for Economic Integration and the Central American Common Market.

1. PANAMA OVERVIEW

Panama is the smallest of the Spanish-speaking countries in Latin America (with an estimated population of 3,242,173) but plays role that goes beyond what its size suggests. Its privileged geographic position, as the isthmus connecting Central and South America, is certainly one of its most valuable assets. It is the infrastructure that has been built to take advantage of its location coupled with a highly favorable legal environment that has made Panama one of the world's most important trading routes and a sophisticated logistical platform.

The Panama Canal is the cornerstone of that platform. It serves important trade routes, transporting close to 300 million tons of cargo every year. Currently, the Canal is undergoing the construction of a third set of locks as part of a significant expansion and modernization program, at an estimated total cost of USD5.25 billion. One of the most important infrastructure projects in the region, the expansion will double the Canal's capacity and increase the size to allow Post-Panamax vessels to use this important waterway.

The Canal's activities are complemented by the most active container terminal systems in Latin America. The country has ports in both the Pacific and the Atlantic coasts, with the participation of major international operators such as Evergreen, Hutchison Whampoa, Stevedoring Services of America and very soon Ports Singapore Authority. It serves as trans-shipment and cargo redistribution centre moving more than 4 million TEU (20 ft equivalent units) of containerized cargo annually. Additionally, Panama has an inter-oceanic railway that moves hundreds of thousands of containers yearly from coast to coast. The railway plans to increase these moves to reach a maximum of 2 million TEU a year.

Panama's economy is unique in the region. It is heavily service-oriented with more than 75% of the GDP and 50% of the nation's employment resulting from this sector. Aside from its trading oriented economy, Panama is also an important banking center where the World's leading financial institutions are present to serve the growing needs of clients that use Panama as a trading center.

For the past seven years Panama has had an impressive GDP growth. Through the first half of 2010 the quarterly GDP increased by an estimated 4.9%, compared to last year's similar figure. On the other hand, rating agencies Moody's (Baa), Standard Poor (888-) and Fitch (888-) assigned to Panama an investment grade rating this year.

Since its origin in 1948, the Colón Free Trade Zone has been a segregated free trade area for wholesale operations. Located in the Atlantic entrance to the Panama Canal, the Colón Free Trade Zone offers a unique place for international trade, being one of the leading free zones in the western hemisphere and one of the largest global logistics centres, with more than 2,000 companies operating from the area. In the first eight months of 2010, sales at Colon Free Trade Zone amounted $ 13.08 billion. Another of Panama's biggest advantages is its great position as a transport hub. Copa Airlines, a Panama-based carrier, operates its Hub of the Americas at the Tocumen International Airport which has direct flights from Panama to around 50 cities in the Americas.

Regarding telecommunications, Panama has the highest levels of connectivity in the region. It is the point of convergence for five submarine fibre-optic cables.

Tourism and real estate are an increasingly important part of Panama's economy. This has fuelled a construction boom in Panama City and elsewhere, including residential high rises and international hotels, beach resorts and restaurants. Many high rise residential buildings have been developed to cater to European investors and to retirees from the United States.

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The Panama Pacific Special Economic Area is located in the Pacific side of the country, strategically located with1,400 hectares of property. This territory has a series of incentives provided for by Law 41 of July, 2004 and serves as the designated area for the production of high-technology goods and services. It will be developed into a major new community with a variety of uses, including corporate headquarters, call centres, offices, logistic facilities, new homes, a championship golf course, hotels, retail stores, schools, healthcare and other facilities.

Another key element in Panama's success has been its highly attractive legal environment. The country:

- allows free currency movement with no foreign exchange regulations;
- uses the US dollar as legal tender and its de facto paper currency;
- has an international banking centre, comprising 92 banks with estimated consolidated assets of USD64.265 billion (as of June 2010);
- has no restrictions on foreigners for purchasing real estate (save property close to the border);
- has a highly qualified workforce;
- has readily accessible credit;
- has excellent living conditions;
- is free from major natural disasters;
- has one of the largest and most efficient maritime hubs;
- has political stability and modern legislation that protects the interests of nationals and foreigners equally.

The Panamanian legal market has also seen an increase in activity and demand in direct proportion to Panama's economic growth during recent years.

Successive governments have implemented a national strategy with strong market-oriented legislation at its heart. The aim is to open new markets, promote exports, and prepare the background for competitive export of goods and services and for promoting investments with a focus on several economic sectors. It is said that Panamanians are following the example of Singapore to create a free and efficient economy that will attract business and investments from all corners of the World.

1.2 THE PANAMA LEGAL MARKET

The Panama legal market is dominated by full-service firms, many of which have a long standing history that in many cases goes back over 70 years. The market is quite sophisticated, with firms that are highly reputable and well connected with the World's leading law firms, and that serve an international clientele coming from the America's, Europe and Asia.

There are several firms institutionalized as law partnerships. Surprisingly, Panamanian firms did not expand into the Central American region. Firms vary in size from the largest firm, Morgan & Morgan with over 60 lawyers, to smaller but quite prestigious firms such as Alemán, Cordero, Galindo & Lee, with 13 lawyers. Several firms also have affiliated trust and fiduciary companies. For instance, Morgan & Morgan has a rather robust trust and fiduciary company and the firm devotes substantial attention and activity to its non-lawyer activities. PRAC should weight carefully whether this factor may turn out to be a source of risk.

There are no international firms present in the local market. However, a number of local firms have networks of offices overseas, most notably in the Virgin Islands and in the Cayman Islands. Arias, Fábrega & Fábrega and Morgan & Morgan have even expanded their global footprint to include Asia, opening offices in Hong Kong and Singapore respectively.

True boutiques are uncommon at the top end of the market. However, De Castro & Robles has carved out a niche in maritime litigation, while Benedetti & Benedetti is the first port of call for many international companies requiring **IP** advice, although it still provides a wide range of services.

Following the elections in 2009, a number of lawyers joined the new government and are on temporary leave from their firms. Most notably, Jaime Alemán of Alemán, Cordero, Galindo & Lee was appointed Panamanian ambassador to the United States. If anything, such appointments are likely to boost these firms' profiles in both local and international circles and have a positive effect on the local market.

1.3 PANAMA FIRMS

We suggest focusing on the following Panamanian firms:

- Aleman Cordero Galindo & Lee
- Arias Fabrega & Fabrega
- Galindo Arias & Lopez
- Morgan & Morgan

	Firm	Aleman, Cordero, Galindo & Lee	Arias, Fábrega & Fábrega	Galindo, Arias & López	Morgan & Morgan
	Number of Partners	8	19	12	35
	Number of other Lawyers	7	39	30	38
	Established	1985	1911	1968	
	International Offices	Yes, British Virgin Islands	No	Yes, British Virgin Islands and Montevideo, Uruguay.	Chiriqui (Panama), London, Madrid, Tortola (BVI), Belize, Singapore
CHAMBERS Practice Area Rankings	**Corporate & M&A**	Band 1	Band 1	Band 1	Band 2
	Banking & Finance	Band 1	Band 1	Band 2	Band 2
	Capital Markets	Band 2	Band 1		
	Dispute Resolution	Band 1	Band 1	Band 1	Band 2
	Offshore	Band 1	Band 2		Band 2
	Projects	Band 1	Band 2	Band 2	Band 2
	Intellectual Property		Band 2		Band 3
Associations			Lex Mundi Member	Member of Lawyers Association Worldwide	Terralex

2. CENTRAL AMERICAN REGION OVERVIEW

Although many of the countries in Central America experienced civil was and /or dictatorships in the 1980's and early 1990's the region has become very stable over the last decade. All Central American countries now have popularly-elected governments.

BELIZE	
Government type	Parliamentary democracy and a Commonwealth realm
Executive branch	Chief of state: Queen ELIZABETH II (since 6 February 1952); represented by Governor General Sir Colville YOUNG, Sr. (since 17 November 1993) Head of government: Prime Minister Dean Oliver BARROW (since 8 February 2008); Deputy Prime Minister Gaspar VEGA (since 12 February 2008) Cabinet: Cabinet appointed by the governor general on the advice of the prime minister from the General Assembly
Legislative Branch	Bicameral and consists of the Senate (all 12 seats filled by appointment of the governor general – six on the advice of the Prime Minister, three on advise of the opposition leader, and one each on the advice of the Belize Council of Churches and Evangelical Association of Churches, the Belize Chamber of Commerce and Industry and the Belize Better Business Bereau, and the National Trade Union Congress and the Civil Society Steering Committee) and the House of the Representatives (31 seats, all members elected by direct popular vote). All Assembly members serve five-years terms. Currently the United Democratic Party holds 25 seats in the House and the People's United Party claims the other. The next election in Belize will be held en early 2013.
Judicial Branch	Supreme Court (the chief justice is appointed by the governor general on the advice of the prime minister); Court of Appeal; Privy Council in the UK; member of the Caribbean Court of Justice (CCJ); Summary Jurisdiction Courts (criminal) and District Courts (civil jurisdiction)
Legal System	English law; has not accepted compulsory ICJ jurisdiction
COSTA RICA	
Government type	Democratic republic
Executive branch	Chief of state: President Laura CHINCHILLA Miranda (since 8 May 2010); First Vice President Alfio PIVA Mesen (since 8 May 2010); Second Vice President Luis LIBERMAN Ginsburg (since 8 May 2010); note - the president is both the chief of state and head of government
Legislative Branch	The Legislative Assembly is unicameral and has 57 seats. Members are elected by direct popular vote. The PLN holds 25 seats in the current Assembly. Its closet opposition is the Citizen Action Party, which has 17 seats; the remaining 15 seats are divides among six other parties. Members of the Assembly serve four-year terms.
Judicial Branch	Supreme Court or Corte Suprema (22 justices are elected for renewable eight-year terms by the Legislative Assembly)
Legal System	Based on Spanish civil law system; judicial review of legislative acts in the Supreme Court; accepts compulsory ICJ jurisdiction
EL SALVADOR	
Government type	Democratic Republic
Executive branch	President Mauricio FUNES Cartagena (since 1 June 2009); Vice President Salvador SANCHEZ CEREN (since 1 June 2009); note - the president is both the chief of state and head of government

Legislative Branch	Unicameral Legislative Assembly or Asamblea Legislativa (84 seats; members elected by direct, popular vote to serve three-year terms)
Judicial Branch	Supreme Court or Corte Suprema (15 judges are selected by the Legislative Assembly; the 15 judges are assigned to four Supreme Court chambers - constitutional, civil, penal, and administrative conflict)
Legal System	Based on civil and Roman law with traces of common law; judicial review of legislative acts in the Supreme Court; has not accepted compulsory ICJ jurisdiction
GUATEMALA	
Government type	Constitutional democratic republic
Executive branch	Chief of state: President Alvaro COLOM Caballeros (since 14 January 2008); Vice President Jose Rafael ESPADA (since 14 January 2008); note - the president is both the chief of state and head of government
Legislative Branch	Unicameral Congress of the Republic or Congreso de la Republica (158 seats; members elected through a party list proportional representation system) Elections: last held on 9 September 2007 (next to be held in September 2011)
Judicial Branch	Constitutional Court or Corte de Constitucionalidad is Guatemala's highest court (five judges are elected by Congress for concurrent five-year terms); Supreme Court of Justice or Corte Suprema de Justicia (13 members are elected by Congress to serve concurrent five-year terms and elect a president of the Court each year from among their number; the president of the Supreme Court of Justice also supervises trial judges around the country, who are named to five-year terms)conflict)
Legal System	civil law system; judicial review of legislative acts; has not accepted compulsory ICJ jurisdiction
HONDURAS	
Government type	Constitutional democratic republic
Executive branch	President Porfirio LOBO Sosa (since 27 January 2010); Vice President Maria Antonieta Guillen de BOGRAN (since 27 January 2010); note - the president is both the chief of state and head of government
Legislative Branch	Unicameral National Congress or Congreso Nacional (128 seats; members elected proportionally by department to serve four-year terms) Elections: last held on 29 November 2009 (next to be held in November 2013)
Judicial Branch	Supreme Court of Justice or Corte Suprema de Justicia (15 judges are elected for seven-year terms by the National Congress)
Legal System	Rooted in Roman and Spanish civil law with increasing influence of English common law; recent judicial reforms include abandoning Napoleonic legal codes in favor of the oral adversarial system; accepts ICJ jurisdiction with reservations
NICARAGUA	
Government type	Republic
Executive branch	President Daniel ORTEGA Saavedra (since 10 January 2007); Vice President Jaime MORALES Carazo (since 10 January 2007); note - the president is both chief of state and head of government
Legislative Branch	Unicameral National Assembly or Asamblea Nacional (92 seats; 90 members elected by proportional representation and party lists to serve five-year terms; 1 seat for the previous president, 1 seat for the runner-up in previous presidential election) Elections: last held on 5 November 2006 (next to be held by November 2011)
Judicial Branch	Supreme Court or Corte Suprema de Justicia (16 judges elected for five-year terms by the National Assembly); note - in 2010, President Ortega directly replaced seven justices on the Supreme Court
Legal System	Civil law system; Supreme Court may review administrative acts; accepts compulsory ICJ jurisdiction with reservations

2.1 THE CENTRAL AMERICAN ECONOMY

In 2009 the region was rocked by the June Coup in Honduras, which seemed to threaten the return to a troubled past that the region thought had gone forever. This had repercussions on trade talks between the region and the European Union. However, in December 2009, a long running dispute over banana imports from the region to the

European Union was finally settled. The EU agreed to reduce import tariffs by stages, while the Central American banana producers agreed not to demand further cuts at the next round of the Doha WTO trade talks, and to make efforts to settle all legal disputes against the EU at the WTO.

The following data from the World Factbook of the CIA, provides a basic view of the economies of each country in Central America. (All figures are from 2010, except where otherwise indicated).

Central America Economic Profile 2010 est.

	Belize	Costa Rica	El Salvador	Guatemala	Honduras	Nicaragua	Panama
GDP (Current US$) (Billions)	$2.652 billion	$51.55 billion	$43.98 billion	$70.31 billion	$33.77 billion	$17.34 billion	$44.82 billion
GDP growth (annual %)	1.5%	4%	1.2%	2.2%	2.5%	2.8%	7.5%
Exports	$404 million	$10.01 billion	$4.377 billion	$8.47 billion	$5.879 billion	$3.182 billion	$12.52 billion
Imports	$740 million	$13.32 billion	$7.98 billion	$12.65 billion	$8.878 billion	$3.182 billion	$16.05 billion

There are currently several companies located in Central America with reported sales of over on billion dollar U.S., including Lucent technologies de Costa Rica, Merck Sharp & Dohme, Deposito Medical Dental S A, Computacion Modular Avanzada, and Grupo Susa. The top companies in the region do business in a variety of industries, including medical equipment, pharmaceuticals, vehicle parts and supplies, computers and software, and consumer electronics.

A growing movement towards economic cooperation in Central America has prompted creation of several regional agreements and organizations to promote trade and development in the area. The Central America Free Trade Agreement (CAFTA), which includes Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua as well as the United States and Dominican Republic, began implementations in 2006. CAFTA created the ten-largest U.S. export market in the world (considering the EU as a single market) The Central American Bank for Economic Integration (Banco Centroamericano de Integración Económica) was founded in 1960 to promote integration and economic development in the region; it has five regional members (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) and five non-regional members (Argentina, Colombia, Mexico, Taiwan, and Spain). The Central American Common Market (Mercado Común Centroamericano) also includes Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua; this agreement has removed duties on most products moving among member counties and unified most external tariffs. In addition, there are bilateral agreements such as the one signed between Costa Rica and Panama in October 2008.

2.2 CENTRAL AMERICA LEGAL MARKET (excerpt from LATIN LAWYER 2010)

The increasing tendency among companies to structure their business with Central America as a single region continues apace, and a number of the law firms that serve them have not been slow to follow suit. Since the 1990s, but with gathering pace in the last decade, a number of regional models have been designed to land the largest of the clients operating here.

There is much to entourage companies to spend regionally: not only the broad standardization of laws and regulations brought about the Dominican Republic-Central America free trade agreement with the US (DR-CAFTA), which finally came into effect in early 2009 region-wide, but also the many supplementary programmes designed to link the countries together ever more efficiently, covering power, roads, telecoms and so on.

The debate in the Central American legal community is no longer whether the regional approach to providing legal services will be successful, but rather whether those firms remaining determinedly independent can continue to follow that policy in the long term. The profusion of regional networks and their continued growth does show that many clients like the one-stop-shop approach to such smaller jurisdictions, and do not hesitate to show that with their budget dollars.

More truthfully, perhaps, the debate is over whether the firms listed here can provide a true one-stop-shopping experience over five, six or seven jurisdictions and sometimes significantly differing legal frameworks–or certainly judicial and regulatory interpretations of those frameworks. Much larger, better funded and more experienced firms than those in Central America have struggled significantly with a cross-jurisdictional service, particularly when achieved via a merger, and so it is little surprise that none of the firms has perfected the model.

Competition is nonetheless healthy here, with firms focusing attention–and cash–on branding, management styles, recruitment and other facets to their offers to clients which might give them the edge. One such field for rivalry is over breadth of geographical coverage–both in terms of the countries covered, with the firms listed here offering services in anything from three to seven countries, and in terms of provincial coverage within those countries.

2.3 THE CENTRAL AMERICA LEGAL MARKET

We suggest focusing on the following Central American firms, all of which maintain offices in the various countries that compose the region:

- Aguilar Castillo / Love
- Arias Muñoz
- Central Law
- Consortium Centro America Abogados

Firm	Aguilar Castillo Love	Arias, & Muñoz	Central Law	Consortium – Centro America Abogados	García & Bodan
Number of Partners	8	27	26	28	6
Total Lawyers	40	131	64	125	32
Established	2006	1998	2002	2005	2000
Has offices across Central America	The smallest firm to have offices in the 5 Central American capitals.	Eight offices spread among five countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) in Central America.	11 offices over seven countries. Is the only firm with the whole DR-CAFTA region covered as well as Panama.	Operates in 5 jurisdictions Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.	Smallest regional firm listed here. is a Nicaragua-based firm with offices in El Salvador and Honduras as “correspondent offices” in Costa Rica and Guatemala.
Comment		Many regard Arias & Muñoz as the first firm to develop a practice designed to serve clients operating throughout the region.	The firm coordinates regional work through its offices in Guatemala.	It is not clear whether this is a fully integrated firm. This is something that should be researched further.	

3. CONCLUSION – CENTRAL AMERICA AS A MEMBER OF PRAC

With a combined population in excess of 40 million, Central America is the largest remaining area of the Pacific Rim not represented in PRAC. With increasing investment from Europe and North America facilitated in part by CAFTA, we can reasonably expect the economies of Central American will continue their dynamic growth. With the exception of Costa Rica and Panama (we are proposing individual membership for Panama) which are comparatively stable, each Central American country has its own political challenges. Per capita incomes in Costa Rica and Panama are substantially greater than other Central America countries, but the commercial environments in Central America are gradually improving.

Given the historical and cultural links among the nations of the region, as well as their geographic proximity, it is suggested that we consider a "regional" member in Central America. Given the multi-jurisdictional nature of this proposed membership, it would be reasonable to subject the extension of a regional membership to a condition that would permit PRAC to reduce the breadth of the region. Thus in the future, should a Central American country warrant representation by a stronger local firm, the regional member's jurisdiction could be reduced by PRAC.

None of the firms listed above are Lex Mundi members. The Consortium Centro América Abogados is not one firm, but a close alliance of Central American firms. While not unbiased, the firm of Arias & Muñoz would offer PRAC a single integrated firm with regional coverage and the standards of professional practice consistent with our membership.

Prepared by Carlos Urrutia April 06, 2011

E: currutia@bu-com.co