

AUTORIDAD DEL CANAL DE PANAMÁ
VICE PRESIDENCY FOR TRANSIT BUSINESS**ADVISORY TO SHIPPING No. A-02-2020**

January 13, 2020

TO : All Shipping Agents, Owners, and Operators
SUBJECT: Panama Canal Water Conservation Strategies

During the past seven decades, the average yearly global surface temperature has risen steadily. The precipitation registered in the Panama Canal watershed during 2019 was approximately 20 percent below the historical average, resulting in Gatun and Madden Lake levels to drop below expected norms.

Despite water conservation efforts implemented to date, the Panama Canal Authority (ACP) finds it necessary to implement additional water conservation strategies in order to provide the best possible service to our clients for the upcoming year and the years to come.

Therefore, effective February 15, 2020, the following modifications will be in effect:

1. Fresh Water Surcharge.

A fixed fee of US \$10,000 will be applied to all transiting vessels over 38.1 meters (125 feet) in LOA. In addition, a variable fee ranging from a minimum of 1 percent to a maximum of 10 percent of the vessel's toll will be applied. The percentage to be applied will depend on Gatun Lake level at the time of transit. The official lake level will be published daily, as well as forecasted for the following 2 months.

2. Booking System.

- Condition 1.a will be in effect for the Panamax Locks, offering a total of 27 reserved transit slots (8 slots for Neopanamax vessels, 13 for supers and 6 for regulars).
- Slots allocated during booking periods 1, 1.a, and 2 (including the special booking period for passenger vessels) shall be paid in full no later than 48 hours after confirmation by the ACP that the slot has been awarded. For booking period 3, vessels will have 24 hours to secure payment. Failure to comply with this requirement will result in loss of the awarded slot.
- One slot for supers and one slot for regular vessels will be awarded through the auction process during the 3rd period only. The auctioned slots will only be offered after all the normal booking slots for either supers or regulars have been allocated. Slots cancelled during the 3rd period will be offered through the Auction Process, if there are no more slots available.
- Vessels that have already been awarded a booking slot prior to February 15, 2020, will be charged the booking fees at the time of transit.

3. Vessel Visit Creation Fee (ETA handling fee).

A handling service fee will be applied to all visits for transit at the time they are created in VUMPA. The processing fee will be applied as follows:

- For vessels 91 feet in beam and over: \$5,000.
- For vessels over 125 feet LOA, but less than 91 feet in beam: \$1,500.

This fee will be deducted from the vessel's tolls invoice once the vessel begins transit. If the vessel cancels the visit and therefore does not transit, the abovementioned charge will not be refunded. Visits that are cancelled due to substitutions will not be assessed the Visit Creation Fee. Failure to comply with this requirement will result in the cancellation of the visit in VUMPA.

All visits that have already been created prior to February 15, 2020 will be grandfathered in and will not be required to pay this fee.

Further inquiries on the subject matter shall be directed to customerrelations@pancanal.com

ORIGINAL SIGNED

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