

Advisory to Shipping No. A-07-2021

February 5, 2021

TO : All Shipping Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – JANUARY 2021

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	258
b. Pilots in Training	32
c. Tugs	46
d. Locomotives	100

2. Traffic Statistics:

	<u>Daily Average</u>	<u>High</u>	<u>Low</u>
Arrivals	33.32	47	18
Oceangoing Transits	34.90	39	31
Canal Waters Time (hours)	51.88	75.16	34.47
In-Transit Time (hours)	11.59	14.45	9.92
Oceangoing Transits:	<u>Total</u>	<u>Daily Average</u>	<u>Percentage</u>
Vessels of less than 91' beam	186	6.00	17.19
Vessels 91' beam to under 107' beam	583	18.81	53.88
Neopanamax Vessels (107' beam and over)	313	10.10	28.93
Total:	1,082	34.90	100.00
Booking Slots:	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Neopanamax Vessels (107' beam and Over)	248*	230* ¹	92.74
Large Vessels (91' beam to under 107' beam)	397*	363* ¹	91.44
Regular Vessels (less than 91' beam)	186*	145* ¹	77.96
Regular Vessels (up to 300' in length)	0	0	0
Auctioned booking slots	78	57	73.08

* Does not include additional auctioned booking slots

¹ Includes booked transits only

3. The following page provides the scheduled locks maintenance work and other items of interest to the shipping community.

4. This advisory will be canceled for record purposes on February 28, 2021.

ORIGINAL SIGNED

Ilya R. Espino de Marotta
Deputy Administrator and Vice President for Operations

OP, February 5, 2021

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SCHEDULE OF PANAMAX LOCKS MAINTENANCE OUTAGES							
Dates	Duration	Miraflores	Pedro Miguel	Gatun	Estimated Capacity	Expected Booking Condition	Status
February 23 and 24, 2021	5 hours per day	West*			30-32	1.a	Tentative
June 15 and 16, 2021	4 hours per day			East*	30-32	1.a	Tentative
June 25, 2021	10 hours			West*	27-29	1.a	Tentative
July 1, 2021	12 hours			East*	26-28	1.a	Tentative
July 5 to 14, 2021	10 days			East**	21-23	2	Tentative
July 29 and 30, 2021	4 hours per day			West*	30-32	1.a	Tentative
August 5 and 6, 2021	5 hours per day			West*	30-32	1.a	Tentative
August 12 and 13, 2021	5 hours per day			East*	30-32	1.a	Tentative
August 17 and 18, 2021	4 hours per day	East*			30-32	1.a	Tentative
August 20, 2021	8 hours			East*	28-30	1.a	Tentative
September 3 to 10, 2021	8 days	East**			21-23	2	Tentative
September 22 and 23, 2021	5 hours per day	East*			30-32	1.a	Tentative
September 24, 2021	8 hours	East*			28-30	1.a	Tentative

SCHEDULE OF NEOPANAMAX LOCKS MAINTENANCE OUTAGES						
Dates	Duration	Agua Clara	Cocolí	Estimated Capacity	Expected Booking Condition	Status
March 26, 2021	10 hours		*	5-7	^^	Tentative
April 23, 2021	10 hours	*		5-7	^^	Tentative

The normal transit capacity of the Panamax locks is 34-36 vessels per day, and in the neopanamax locks 9-11 vessels per day, depending on vessel mix, transit restrictions, and other factors. This capacity is reduced during locks maintenance work, as indicated in the above table. Consequently, vessels may experience delays in transiting. When the Panama Canal's capacity is expected to be reduced, a corresponding reduction in the number of available reserved transit slots may be ordered by the Canal Authority. Whenever a set of locks requires a major outage of one of its two lanes for dry chamber inspection, miter gate repairs, tow track work or other major maintenance/improvement projects, advantage may be taken to perform simultaneous single lane outages at other locks.

- * In order to perform scheduled maintenance works
- ** In order to perform scheduled dry chamber works
- *** Culvert outage
- ^^ A corresponding reduction in the number of available booking slots should be expected

Panama Canal Administrator's Year End Remarks: A Legacy of Resilience and Action to benefit our Customers, Country, and World

This month marks the close of the Panama Canal's 21st year under Panamanian administration. Looking back, our resilience this year attests to the experience and world-class workforce built over the decades. Despite facing new challenges in 2020, we upheld our long-standing commitments while continuing to create, capture and render value to our customers and Panama.

For one, **we secured the continuity of our service by protecting our team and customers first.** We introduced COVID-19 safety measures in March to keep the Panama Canal route operating safely and without interruptions throughout the entire year. To date, positive cases have not affected, nor have been linked to, our transit operations, and our workforce remains operational 24/7.

OP, February 5, 2021

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We also adapted our service to better partner with customers. In April, **our team introduced relief measures to give customers added flexibility**. These included the deferral of booking fee payments to maintain higher liquidity and the forfeiting of reservation fees for passenger vessels, the most affected segment during the pandemic. While these offerings were set to end on December 31, we extended them for six additional months to help alleviate the prolonged impact of the COVID-19 pandemic on customers.

As the global economy began to recover, upending supply chains and traditional trade patterns, we worked with customers again to find ways to accommodate their needs. Since October, the Panama Canal, along with ports across the Americas, Asia, Europe, and beyond, experienced a sudden uptick in arrivals. This caused the convergence of high seasons across segments, such as container ships and liquefied natural gas (LNG). To accommodate the temporary surge in traffic, **we have made operational adjustments, increasing the number of operational crews while maintaining safety protocols**, to allow more vessels that arrive without reservations to transit per day.

Despite the urgent requirements presented by the pandemic, we also advanced a key investment in the Panama Canal's long-term sustainability. Earlier this year, when we implemented the freshwater fee, we announced our intent to undertake a portfolio of projects to guarantee water availability. In September, we launched the tender for our new water management system, with the contract to be awarded by late 2021. In the meantime, our water conservation measures proved successful in securing a steady draft. Our goal of ensuring that the value of our resources is factored into global supply chains, **was also validated in both concept and price, when trading began in the first futures market for water in December**. The Panama Canal will now begin 2021 offering a draft of 50 feet, the highest level allowed at the Neopanamax locks and exactly four feet more than was offered a year earlier.

Finally, we capped the year off by pledging the Panama Canal's support for the global distribution of the COVID-19 vaccine. On December 21, the Panama Canal accepted an invitation to join the World Economic Forum's Supply Chain & Transport Industry Action Group (SCT) to aid in the distribution of COVID-19 vaccines and medical supplies to Panama, Latin American and the Caribbean. Panama's strategic location and strong logistics hub will be key in achieving the goals placed by UNICEF for the massive distribution of vaccines in this region.

While there is light at the end of the tunnel, **the Panama Canal will continue to prioritize safety**. This approach has allowed our customers to continue ferrying essential goods in 2020 and guarantees the essential tools to usher in a brighter future in 2021.

Meanwhile, we will be prepared to accommodate the global recovery, one safe transit at a time.

Sincerely,

Ricaurte Vásquez Morales
Panama Canal Administrator