

Advisory To Shipping No. A-38-2023

August 10, 2023

TO : All Shipping Agents, Owners, and Operators
SUBJECT : Monthly Canal Operations Summary – July 2023

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	286
b. Pilots in Training	0
c. Tugs	46
d. Locomotives	100

2. Traffic Statistics:

	<u>Daily Average</u>	<u>High</u>	<u>Low</u>
Arrivals	32.13	43	16
Oceangoing Transits	33.42	36	29
Canal Waters Time (hours)	46.99	76.39	18.65
In-Transit Time (hours)	11.33	13.80	9.76

Oceangoing Transits:	<u>Total</u>	<u>Daily Average</u>	<u>Percentage</u>
Vessels of less than 91' beam	186	6.00	17.95
Vessels 91' beam to under 107' beam	542	17.48	52.32
Neopanamax Vessels (107' beam and over)	308	9.94	29.73
Total:	1,036	33.42	100.00

Booking Slots:	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Neopanamax Vessels (107' beam and over)	217*	210* ¹	96.77
Large Vessels (91' beam to under 107' beam)	403*	381* ¹	94.54
Regular Vessels (less than 91' beam)	186*	149* ¹	80.11
Auctioned booking slots	159	139	87.42

* Does not include additional auctioned booking slots

¹ Includes booked transits only

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

4. This advisory will be canceled for record purposes on August 31, 2023.

ORIGINAL SIGNED

Boris Moreno Vásquez
Vice President for Operations

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SCHEDULE OF PANAMAX LOCKS MAINTENANCE OUTAGES							
Dates	Duration	Miraflores	Pedro Miguel	Gatun	Estimated Capacity[^]	Expected Booking Condition	Status
July 7, 2023	12 hours			East*	23-25	1.a	Completed
July 12, 2023	7 hours			East*	28-30	1.a	Completed
July 13, 2023	4 hours		West*		30-32	1.a	Completed
July 14, 2023	4 hours	East*			30-32	1.a	Completed
July 17 and 18, 2023	8 hours/day			West*	26-28	1.a	Completed
July 19 and 21, 2023	5 hours/day		West*		29-31	1.a	Completed
July 26 and 28, 2023	5 hours/day	West*			29-31	1.a	Completed
July 31, 2023	6 hours			East*	28-30	1.a	Completed
August 2 and 4, 2023	5 hours/day	West*			29-31	1.a	Completed
August 8, 2023	4 hours		West*		30-32	1.a	Completed
August 9, 2023	5 hours	East*			29-31	1.a	Completed
August 10, 2023	7 hours			West*	28-30	1.a	Confirmed
August 14, 15 and 16, 2023	8 hours/day			West*	26-28	1.a	Tentative
August 21, 2023	12 hours			West*	24-26	1.a	Tentative
August 22, 2023	10 days			West***	23-25	1.a	Tentative
August 23 and 24, 2023	6 hours/day	East*			28-30	1.a	Tentative
September 1, 2023	12 hours			West*	24-26	1.a	Tentative
September 5, 2023	6 hours			West*	28-30	1.a	Tentative
September 12, 2023	7 hours			West*	28-30	1.a	Tentative
September 13, 2023	4 hours		West*		30-32	1.a	Tentative
September 14, 2023	4 hours	East*			30-32	1.a	Tentative
September 15, 2023	6 hours	East*			28-30	1.a	Tentative
September 21 and 22, 2023	6 hours/day	West*			28-30	1.a	Tentative

SCHEDULE OF NEOPANAMAX LOCKS MAINTENANCE OUTAGES						
Dates	Duration	Agua Clara	Cocolí	Estimated Capacity	Expected Booking Condition	Status
July 10, 2023	4 hours	*		10-11	1	Completed
July 11, 2023	5 hours	*		9-10	1	Completed

[^]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. The maximum sustainable capacity of the Panama Canal (panamax and neopanamax locks) is approximately 38-40 vessels per day. 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
- ^ May require an adjustment to the number of available booking slots

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Panama Canal Prepares for the Future: Navigating Challenges with Technical Precision



Amidst current challenges, the Panama Canal is taking proactive measures to ensure its competitiveness and operational capacity for the future. Chief among these challenges is the critical issue of freshwater availability for both the population's consumption and the transit of vessels.

During a recent presentation to local and international media, Panama Canal Administrator Ricaurte Vásquez Morales highlighted the ongoing efforts by Canal specialists to manage saltwater intrusion in the Gatun reservoir, a crucial water source for over 50% of the country's population. This situation has been exacerbated by a prolonged dry season, leading to a scarcity of rainfall.

In response to the unpredictable weather patterns and the need to ensure reliable and sustainable service, the Panama Canal will maintain a draft of 44 feet or 13.41 meters in the coming months. This measure will be upheld unless significant changes occur in weather conditions from the current projections. Consequently, the Canal will allow an average of 32 vessels per day to transit during this period.

This draft adjustment is essential because changes in precipitation patterns are expected to affect water availability in Panama, reflecting a global phenomenon, and with the looming possibility of an El Niño condition before the year's end.

Despite the draft adjustment measures, the Panama Canal remains competitive. On August 1, the container ship Ever Max, owned by Evergreen shipping company, successfully made its inaugural transit through the Neopanamax Locks.

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The vessel, under the Singapore flag and built in 2023, boasts a length of 366 meters and a width of 51 meters, with a draft greater than 50 feet. However, due to the current weather conditions and draft limitations, the vessel had to leave part of its cargo at the Port of Balboa to be then transported by land to the Colon Container Terminal. As a result, the Panama Canal incurred a loss of more than \$40,000 in tolls for this transit.

The Canal's focus on the future is not only limited to addressing current challenges, but also includes proactive environmental initiatives. Efforts are being made to safeguard the water basin, preserve forest cover, and explore the possibility of developing a logistics corridor to diversify cargo handling options within the country.

Moreover, the Canal is significantly investing in enhancing its technological capabilities. Administrator Vásquez emphasized the importance of integrating vast hydro-meteorological data and analyzing it on a large scale. This data-driven approach is expected to boost the efficiency and competitiveness of the waterway.

Additionally, human resources are a crucial aspect of the Canal's future. With approximately 2,000 employees nearing retirement, efforts are underway to recruit and train individuals with new skills to meet the evolving needs of the industry.

"We have successfully administered the Canal as Panamanians, expanded the locks, and ensured reliability. Now, in this third stage, as we shape the Canal for the future, we are keen to identify the best opportunities for Panama under the current circumstances," said Administrator Vásquez, outlining the Canal's visionary approach to stay relevant and successful in the years to come.