



*******PANAMA CANAL UPDATE*******

April 24th , 2006

RE: Canal Congestion

RE: Canal Congestion / Delays

0100 hours April 24 backlog of vessels awaiting transit - 81 (Pacific/Atlantic entrances).
Projected queue next 24 hrs – 74. 48 hrs - 72.
Delays to non booked ships 2 - 3 days minimum.

Transit Reservation System (booking) continues to be oversubscribed. Daily applicants 30+ for only 4 to 5 slots. Bookings allocated according to Canal Authority customer weighted ranking.

Several weeks ago there was speculation the Canal Authority would invoke Condition 3 which reduces booking slots from 23 to 12. On this issue the Canal have not invoked their own rules. Apparently a commercial decision, not an operational one, has been made to maintain booking at Condition 1.

Booked vessels must arrive by 0200 hrs (over 91 ft beam) and 1400 hrs (under 91 ft beam) on the day of intended transit. Vessels arriving after the deadline forfeit their booking fee and transit in their turn of arrival according to size/draft, without priority. Alternatively, if the Canal Authority can accommodate, booked transit can be maintained with a booking fee surcharge of 200%. However this is not automatic and depends on traffic conditions.

RE: Booking by Auction

For those operators who are unable to secure a booking, an additional slot per day was introduced from April 1 on a 60 day trial period. The electronic auction is open to all Canal users and the booking slot is awarded to the highest bidder, irrespective of the customer weighted ranking. Operators wishing to participate should clearly indicate value of their maximum bid. Please see *Panama Flash* of March 30/31.

RE: Pre Arrival Notification

July 1, 2004 Panama Canal Authority implemented the Electronic Data Collection System (EDCS) for ETA reporting. It is imperative vessels submit ETA and all related information to the agent with sufficient lead time to permit conversion of data to the EDCS system prior to 96 hours. Recommend no later than 112 hours in advance. Failure to provide timely/accurate info may result in delays/fines and additional expenses.

Vessels arriving from ports less than 96 hours away from the Canal are required to provide preliminary information in order to meet 96 hour deadline. A second and final advise must be submitted immediately upon departure from the last port of call.

The Canal Authority has reminded the industry that it is imperative the 96 hour pre arrival notification is complied with. Failure to do so will prolong the delays already being experienced.

RE: Locks Maintenance Schedule 2006

Tentative .

May 10-12 (3 days) Gatun - Lane outage.
Jun 6-15 (10 days) Miraflores - Lane w/restrictions.
Jul 11-20 (10 days) Gatun - Lane w/restrictions.
Jul 17-22 (6 days) Miraflores - Culvert outage.
Aug 12-14 (3 days) Gatun - Lane w/restrictions.
Aug 15-19 (5 days) Gatun - Lane outage.
Aug 20-24 (5 days) Gatun - Lane w/restrictions
Sep 12-19 (8 days) Gatun - Lane outage.

Thanks
China Shipping Agency Central America