

**AGREEMENT No. 51
(of November 8, 2001)**

“Whereby the Regulations on Navigation in Panama Canal Waters are amended”

**THE BOARD OF DIRECTORS
OF THE PANAMA CANAL AUTHORITY**

WHEREAS:

In accordance with Article 18.5e of Law 19 of June 11, 1997, the Board of Directors of the Panama Canal Authority is responsible for approving the regulations regarding admeasurement and inspection of vessels, navigation, marine traffic control, pilotage, and matters concerning navigation in the Canal.

In exercise of this authority, the Board of Directors approved the Regulations on Navigation in Panama Canal Waters, through Agreement No. 13 of June 3, 1999.

Article 3 of the aforementioned regulations authorizes the Canal Authority to establish the requirements and conditions of navigability of the vessels, including boarding and sanitation facilities, to allow their safe transit. This article also establishes that the Canal Authority may deny a vessel’s transit if any of these requirements is not met.

Article 101 of the aforementioned regulations establishes that the cost of pilotage for vessels in transit through the Canal is included in the tolls, and that should a vessel require a pilot for purposes other than transiting, she shall assume the corresponding charges.

There are situations in which the Canal Authority must assign additional resources to ensure safe and efficient transits. These cases make it necessary to amend the aforementioned articles, to authorize the Canal Authority to charge for the use of these additional resources.

The draft agreement containing the pertinent amendments thereto has been submitted by the Administrator of the Authority for consideration by the Board of Directors.

AGREES:

ARTICLE ONE: Article 3 of the Regulations on Navigation in Panama Canal Waters is amended to read as follows:

“Article 3: The Canal Authority shall establish the requirements and conditions of stability, list, trim, draft, cargo, hull, machinery, and of any other nature, including boarding and sanitation facilities, to allow transit of the vessel and to ensure its safety, as well as that of Canal personnel and structures.

The Authority may deny a vessel's transit if any of the established requirements is not met. However, in those cases in which the Authority determines that the ship may transit safely using additional resources provided by the Authority, it may authorize the transit, provided the vessel assumes and pays the corresponding additional charges."

ARTICLE TWO: A new article 98 shall be added to Section One, Compulsory Pilotage, Chapter V, of the Regulations on Navigation in Panama Canal Waters, to read as follows:

"Article 98: The cost of regular pilotage services for vessels in transit according to the requirements established in the Operations Manual is included in the tolls. Should a vessel require additional pilots for transiting the Canal, she shall assume the corresponding charges.

Should a vessel require a pilot for purposes other than transiting, she shall assume the corresponding charges."

ARTICLE THREE: Section two, Chapter V, Exemptions from Compulsory Pilotage in the Ports, of the Regulations on Navigation in Panama Canal Waters shall read as follows:

**"Section Two
Exemptions from Compulsory Pilotage in the Ports**

Article 99: The Authority shall determine the vessel and small crafts categories that may be exempted from compulsory pilotage in the ports.

Article 100: Vessels or small craft that are exempted from compulsory pilotage must comply with the operation requirements specified in the annex, as the case may be.

Article 101: Small craft anchored in Anchorage Area F may proceed to sea without a Canal pilot on board, prior permission by the Authority to depart. However, vessels anchored in Anchorage Area C shall require a Canal pilot to this effect".

ARTICLE FOUR: This Agreement shall become effective upon its approval.”

Given in the city of Panama, on November eight, two thousand and one.

TO BE PUBLISHED AND ENFORCED

Ricardo Martinelli B.

Diógenes de la Rosa

Minister for Canal Affairs

Secretary