

August 6, 2004

**MR'S ADVISORY TO SHIPPING No. A-40-2004**

**TO : All Steamship Agents, Owners, and Operators**

**SUBJECT: Monthly Canal Operations Summary – JULY 2004**

1. Panama Canal Statistical Summary:

a. Transit Pilot Force .....	279
b. Pilots in Training .....	0
c. Tugs .....	24
d. Locomotives .....	100

2. Traffic Statistics:

	<u>Average Daily</u>	<u>High Daily</u>	<u>Low Daily</u>
Arrivals	32.90	50	19
Oceangoing Transits	32.97	42	26
Canal Waters Time (hours)	19.20	26.08	15.03
In-Transit Time (hours)	9.61	11.81	7.65

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	373	12.03	36.50
Vessels 80' Beam and Over	649	20.94	63.50
<b>Total of Oceangoing Transits:</b>	1022	32.97	

Vessels 100' Beam and Over	435	14.03	42.56
Vessels 900' Length and Over	91	2.93	8.90

**Note:** For the purpose of this report, the term "oceangoing transits" is equivalent to the number of locomotive transits.

Booking Slots:	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Large Vessels	372	340	91.40
Regular vessels	279	203	72.76

3. See next page for scheduled locks maintenance work and items of interest to the shipping community.

4. This advisory will be canceled for record purposes on August 31, 2004.

**ORIGINAL SIGNED**

Jorge L. Quijano  
Maritime Operations Director



COPY OF ALL ADVISORIES ARE AVAILABLE IN THE PANAMA CANAL WEB PAGE AT <http://www.pancanal.com>  
FOR ETAS OR DIRECT COMMUNICATION WITH OUR OFFICES: REFER TO NOTICE N-3-2004



Scheduled Locks Maintenance Work:

UPDATED SCHEDULE OF LOCKS MAINTENANCE AND OUTAGES FOR FISCAL YEAR 2004						
Dates	No. of Days	Miraflores	Pedro Miguel	Gatun	Daily Transit Capacity	Status
August 4 -12, 2004	9		Lane Outage	Lane Outage	26 – 28	Confirmed
Sept. 1 - 8, 2004	7	Lane Outage (3d)		Lane Outage (7d)	26 - 28	Tentative
Sept. 29 – Oct. 6	8			Lane Outage	26 - 28	Tentative

**Transit Capacity:** The normal capacity of the Panama Canal is 38 transits per day. This capacity is reduced during locks outages, as indicated in the above table. Consequently, vessels may experience delays in transiting. Normally, during these periods, the Panama Canal Transit Reservation System slots are fully utilized. Two-day lane outages have no significant impact on Canal vessel backlog, therefore are not normally included in this chart.

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 of this requirement to perform simultaneous single lane outages for additional maintenance at other locks.

Item of Interest for the Shipping Community:

**PANAMA CANAL AUTHORITY ANNOUNCES FISCAL YEAR 2004 THIRD QUARTER METRICS**

**SAFETY RECORD IMPROVES; RISE IN TONNAGE, TRAFFIC AND REVENUE**

The Panama Canal Authority (ACP) announced today third quarter (Q3) operational metrics for Fiscal Year 2004. Q3 data reveals an increase in total transits, a growth in revenue and a rise in PC/UMS tonnage that have been moved through the Canal. Moreover, the Canal’s safety record has improved with a significant decline in accidents. These metrics are based on operations from April through June 2004.

Two official accidents were reported this quarter, as compared to five in Q3 FY2003; representing a 60 percent reduction. An official accident is one in which a formal investigation is requested and conducted.

Panama Canal/Universal Measurement System (PC/UMS) tonnage increased this quarter by 13.2 percent to 68,120,039 PC/UMS tons from 60,155,135 PC/UMS tons reported in Q3 FY2003. Total revenue for Q3 FY2004 increased 18.1 percent to \$192.7 million from \$163.1 million in Q3 FY2003.

Total transits increased 9.4 percent to 3,732 from 3,411 reported in Q3 FY2003. Among these transits, there was a 20.4 percent boost in Panamax vessel traffic to 1,370 vessels from 1,138.

Container tonnage experienced a 22 percent rise to 14,172 tons\* from 11,617 tons\* reported in Q3 FY2003. Crude oil increased 41.4 percent to 1,859 tons\* from 1,315 tons\*. Container tonnage continues to rise, due to increased containerization and trade between the United States and Asia. Movement of crude oil through the Canal continues to increase, due to economic demand. (\*Figures reported in thousands of long tons.)

“Business is thriving at the Panama Canal thanks to the dedication and hard work of our world-class team. The Canal strives to meet new demands of the maritime and shipping industry while we constantly seek to improve the waterway’s safety, reliability and efficiency,” said Administrator/CEO Alberto Alemán Zubieta.

Maintenance and capital improvement initiatives, such as the replacement of the locomotive tow track at Gatun Locks and increases in traffic and tonnage, led to a rise in Canal Waters Time (CWT), the average time it takes a vessel to navigate the Canal including waiting time for passage. CWT for booked vessels increased 3.7 percent to 16.43 from 15.84 hours. Booked vessels account for nearly half of all transits. Total CWT increased 34.7 percent to 28 hours in Q3 FY2004 from 20.8 hours in Q3 FY2003. The improvement projects are part of the permanent modernization program and will ultimately lower future CWT and enhance Canal efficiency.