

# Section 10

## Transit Operations

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### 10.1 Transit Operations

#### **a.** *Introduction*

The Canal Operations Captain is the senior operations officer over all maritime operations throughout the Canal, including the terminal ports of Balboa and Cristobal. He has overall authority for vessel movements in Canal waters and is delegated full authority to coordinate activities and provide operation supervision over all personnel engaged in daily transit operations. All differences in interpretation of rules and regulations or any departure from prescribed operating procedures must be referred to the Canal Operations Captain for resolution. The Canal Operations Captain's responsibilities are exercised through the Canal Port Captain.

#### **b.** *Organization*

(1) *Transit Operations Division:* The Transit Operations Division, headed by the Canal Operations Captain, is responsible for the immediate direction of daily maritime operations, maritime emergency reaction and recovery, supervision and enforcement of

rules and regulations governing the navigation of the Canal, prior approval of new construction plans and ship modifications to ensure new and modified vessels comply with ACP requirements and restrictions on size, clearances and equipment, including but not limited to, chocks and bitts, boarding facilities, wheelhouse design features and visibility requirements. Other responsibilities include monitoring aids to navigation throughout the Canal, water depths and condition of Canal channels; coordinating with Dredging and Surveys personnel for the maintenance of these aids and depths; and the operation of a vehicular fleet consolidated system, comprised of vehicles and special equipment used to satisfy land transportation needs. The Transit Operations Division operates twenty-four hours a day, seven days a week.

(2) *Port Captains:* The Transit Operations Division has two sections, Cristobal and Balboa, manned by 16 port captains. The Balboa office is headed by a Senior Canal Port Captain that has operational authority from the Pacific Anchorage to Gamboa. The Cristobal Office is headed by a Senior Canal Port Captain who is the senior representative of the Transit Operations Division at the Atlantic (Northern) terminus of the Canal and has operational authority from Cristobal Harbor and Limon Bay to Gamboa.

(3) *Port Entry Coordinator:* The Transit Operations Division personnel also includes port entry coordinators who provide a 24 hour service at the Pacific (Flamenco) and Atlantic (Cristobal) Signal Stations. Their duty is to coordinate the movement of vessels at each of the Canal terminals, indicate anchorage position and other pertinent information to arriving vessels, and provide the information requested by Canal Pilots for their safe maneuvering in these areas.

(4) *Transiting Vessel Inspector (TVI):* The Transit Operations Division Vessel Inspection Team is composed of marine engineers who perform a risk analysis of vessels that arrive with the intention of transiting the Panama Canal. Based on this assessment, vessels with high risk factors are flagged for inspection prior to Canal transit. The TVI conducts surveys aboard to verify the good operation of technical systems, equipment and components affecting the maneuverability, safety and security of a vessel, and assures its compliance with the Panama Canal Authority Maritime Regulation and applicable international conventions. As per request of the Port Captain, the TVI inspects vessels with reported deficiencies during Canal transit to determine their suitability to continue with the transit. He provides information on the scope of required permanent or temporary repairs, time estimates for their completion, and suggests ways to mitigate the effects of the deficiencies when appropriate. The TVI actively collaborates with the Canal Port Captain on ship accident investigations to determine if the malfunction of any of the vessel's technical systems or equipment was a contributing factor to the accident. When requested by the Board of Local Inspectors, he is appointed as an expert-witness in connection with arbitration procedures managed by that office in relation to ship accidents in Canal waters.

(5) *The Naval Architect (NA):* The Naval Architect provides expert advice to the Canal Operations Captain in matters related to maritime emergencies and salvage situations.

The NA also serves as technical adviser to the COC for review and approval of new shipbuilding plans and requests for vessels to be granted a permanent waiver to transit the Canal at less than the minimum draft; and makes recommendations concerning the preparation of regulations, policies, and procedures to serve as overall guides in naval architectural areas and salvage operations.

(6) *Chemists*: The Transit Operations Division Chemists strive to maintain high levels of safety related to the dangerous cargo onboard transiting vessels. To accomplish this goal, they propose, implement and maintain policies and programs designed to eliminate or reduce risks to canal operations to the extent possible, while not affecting canal capacity. Also, they serve as technical resource to advise the Canal Operations Captain during emergencies, especially response to dangerous cargo incidents; as well as on requests for cargo handling operations; and, review of certificates issued by third party Marine Chemists for hot works.

### **c. Responsibilities**

The Transit Operations Division has six major responsibilities:

(1) Immediate Direction of Daily Maritime Operations: This includes operational supervision over all personnel engaged in daily transit operations, which includes the active duty pilot force, MTC personnel, admeasurement personnel, dredging, survey, and locks operations personnel.

(2) Rules and Regulations: Supervision and enforcement of the Maritime Regulations for the Operation of the Panama Canal, approval of new constructions and modifications, and ensuring that vessels arriving for transit comply with ACP requirements and restrictions on size and clearances and are properly equipped. Also monitoring aids to navigation, depths and condition of Canal channels, inspection of vessels for deficiencies, dead tows and handlines, high-mast lighting approvals, etc.

(3) Maritime Emergency Reaction and Recovery: Provides on-site assessment of breakdowns or accidents to vessels while in transit; prepares Administrative Reports of accidents/incidents. Investigates personal injuries of ACP employees aboard ships in transit or other reported incidents involving ACP employees aboard vessels. Takes charge of wrecked, damaged or burning vessels, and on-scene support vessels and units within the Canal operation compatibility area. Performs piloting duties on a periodic basis including relief of pilots aboard vessels who become ill or in other emergency situations. Coordinates all operational matters related to emergency all-water transportation, shuttle bus service, and establishment of temporary billeting or quarters. Coordinates Canal operations with the Panama Maritime Authority and other government authorities.

(4) Maritime Traffic: Preparation, implementation and monitoring of the daily transit schedule, coordination of vessel movements within Canal operating areas, the daily assignment of pilots and the assignment of tugboats to transiting vessels.

(5) *Admeasurement*: Ascertaining the correct Panama Canal tonnage of vessels transiting the Canal, boarding and clearing of vessels for medical surveillance; verifying compliance with various safety requirements, such as boarding facilities, dangerous cargo reporting, proper deck load, required chocks and bitts, communications, availability of firefighting equipment, steering lights, rudder angle and rpm indicators; gathering information for the Ship Data Bank, and generating billing invoices for transits and related services.

(6) *Pilots and Pilotage*: Supervision of the Panama Canal pilot force and providing pilot service for transiting vessels.

#### **d. *Dangerous Cargo***

The principal tasks of Canal Port Captain's Office chemists include:

(1) Management of dangerous cargo information.

(a) *Purpose*: To reduce risks associated with dangerous cargo while the vessel is in Canal waters. Over forty percent of transiting vessels carry cargo or empty tank warranting treatment as a vessel with dangerous cargo.

(b) *Definition*: Dangerous cargo or hazardous cargo is any cargo that is explosive, flammable, toxic, corrosive, radioactive, or a marine pollutant.

(c) *Regulations*: The transit of dangerous cargo through the Panama Canal must comply with the Regulation on Navigation in Panama Canal Waters, specifically:

- *Chapter IX* (Dangerous Cargo):
  - Section Two (Dangerous Cargo in Bulk)
  - Section Three (Dangerous Packaged Goods)
- *Article 30* and its *Annex* (Radio Communications)
- *Article 41* and its *Annex* (Anchorage and Inspection)

(d) *Classifications*: ACP uses the classification standards and codes for dangerous cargo established by the International Maritime Organization (IMO). Two of the most used standards are the United Nations (UN) number and the IMO class and division.

- The UN number identifies a specific dangerous cargo or subgroup of dangerous cargo;

- The IMO class and division are used for group classification of cargoes with similar chemical, physical, or toxic properties.

(e) *Advance Dangerous Cargo Information*:

*ACP Navigation Regulations, Annex, Article 30*, requires complete and accurate dangerous cargo information aboard a vessel be provided to the Panama Canal Authority at least 96 hours prior to the vessel's arrival.

Additional information is required for explosives and radioactive cargoes. Shipments of explosives must comply with *ACP Navigation Regulations, Articles 132 to 134* and their respective *Annexes*. All radioactive cargo shipments (including empty flasks) must be reported and comply with requirements of *ACP Navigation Regulations, Articles 135 to 141* and *Annex of Article 141*.

(f) *Prohibited cargoes*: Certain dangerous cargoes are prohibited from carriage on vessels and are hence excluded from vessels transiting the Canal. They are described in *ACP Navigation Regulations, Articles 122 and 131*.

(g) *Precaution Designators*: The advance dangerous cargo information provided by vessels serve as basis for the assignment of Precaution Designators.

All vessels in Canal waters, including those without dangerous cargo, shall have a Precaution Designator. The assignment of Precaution Designator depends on:

- Specific characteristics of the reported dangerous cargo
- Whether this cargo is in bulk or in packaged mode; and
- Type of vessel.

A number of Precautionary Measures taken by the Authority for dangerous cargo vessels have been programmed dependent on the Precaution Designator. Precautionary Designators and Precautionary Measures taken by the Authority are described in detail in Section 2, Operating Procedures, of this manual. The Precautionary Measures due to dangerous cargo are additional to any normal operating restriction of the vessel.

(h) *Verification*: It may be necessary to assign the vessel a different Precaution Designator whenever a discrepancy is found with the information provided by the vessel. The vessel will not transit until dangerous cargo requirements are met.

(i) *Information availability*: The dangerous cargo information provided by each vessel is displayed in the ACP EVTMS screens to ensure its availability to ACP elements involved with the transit.

## (2) Inspection Program for Transiting Tankers.

*Purpose*: To spot-check tankers carrying dangerous cargoes for compliance with:

- *ACP Navigation Regulations, Chapter IX* (Dangerous Cargo Regulations);
- *ACP Navigation Regulations, Article 30* (Advance radio messages);
- Applicable Safety Of Life At Sea (SOLAS); and,
- IMO requirements for the type of tanker boarded.

## (3) Selection Criteria and Locations for Inspections:

(a) Vessels that did not fully comply with our dangerous cargo regulations in the past.

(b) Vessels that expose the Canal area to the greatest potential risk, such as:

- Liquid-Gas Carriers
- Chemical Tankers
- Oil Tankers
- Unusual cargo

(c) A vessel is normally boarded prior to its transit in either anchorage. Some vessels may be boarded after they have initiated their transit and other vessels may be boarded after completing their transit if necessary.

Violations of *ACP Navigation Regulations, Chapter IX*, and those that require immediate action shall be reported at once to the Canal Operations Captain

## 10.2 Maritime Traffic

### a. Organization and Responsibility

The *Maritime Traffic Control Unit*, headed by the manager, is responsible for planning, scheduling, controlling, and coordinating the movement of vessel traffic through the Panama Canal, the terminal ports of Balboa and Cristobal, and all operating areas. The unit ensures coordination with all Canal operating units to implement the transit schedule while providing a safe, efficient, and cost effective use of Canal resources.

In addition, the Maritime Traffic Operations Center (MTC) is responsible for: the accurate assignment of pilots to transiting vessels, harbor watches, and other piloting duties in accordance with the negotiated collective bargaining agreement; the coordination of land transportation for pilots; the proper assignment of tugs to transiting vessels; and for processing all ETA information for vessels arriving for port visits and/or transit.

*Management/Administrative Section:* The Administrative office includes the manager, who is responsible for formulating, developing, and implementing the section's policies and procedures. Areas covered include personnel management, timekeeping, transit reservation (booking) system, coordination of all vessel movements in Canal operating areas, and compiling statistical source documents for all transit and port activities. Among the primary responsibilities are:

- a) Administration of the Panama Canal Transit Reservation (booking) System:  
Receives and processes requests for vessel bookings or cancellations in accordance with the Panama Canal Transit Reservation System. Preparation and distribution of the Daily Transit Information sheet.

- b) Administration of a comprehensive traffic management system. This includes the EVTMS, AIS, CCTV, and other systems that may be integrated in the future.

**b. *Interaction with Other Units***

The expeditious and safe transit of vessels through the Panama Canal requires an efficient and harmonious operation between all involved units. Different organizations have responsibilities directly related to the operation of the waterway and perform support functions that are coordinated through or with the Transit Operations Division, as follows:

(1) The Locks and Facilities Maintenance Division is responsible for handling all vessels in the locks, recommending lockage changes when conditions at the locks arise, which require a modification of the transit plan. Locks inform MTC of all general and special rules or orders in force and conditions existing at the locks that may affect lockage operations. Notifies MTC in advance, of any planned outage of a lock lane during operating hours, as well as any delay to a lockage of five or more minutes, regardless of the cause.

(2) The Pilot Section manages and supervises the safe and efficient performance of the Canal transit pilot force. It provides MTC with pilot rotation lists for proper assignments ensuring sufficient pilot availability for all piloting requirements.

(3) The Transit Resources Division is responsible for providing transiting vessels with tug services as required per operations procedures and pilots' requests. It provides launch services to and from vessels for all Panama Canal personnel. It provides line handlers to transiting vessels and informs MTC of any delays or shortages when providing this service.

(4) The Admeasurement Unit is responsible for establishing the official Panama Canal tonnages of transiting vessels, boarding and clearing of vessels for medical surveillance, safety inspection, and a wide variety of vessel information. It generates invoices for all tolls and miscellaneous maritime services, and it maintains records and provides statistical reports of service rendered.

(5) The Port Captain's Sections (Balboa and Cristobal) are responsible for:

(a) The immediate direction of daily maritime operations, maritime emergency reaction and recovery, and the supervision and enforcement of rules and regulations governing the navigation of the Canal. They are also responsible, through the Cristobal and Balboa Signal Stations, for the coordination of vessels movements in the Canal approaches and anchorages in order to reduce the risk of accidents.

(b) Matters involving the safety aspects of vessels traffic flow, vessel material condition and inspection, hazardous cargo, Canal physical conditions, marine personnel qualifications, and marine environment protection.



- (6) The Dredging Division is responsible for the movement and operations of Dredging Division floating equipment for drilling, dredging, maintenance, and salvage operations within the waterway. Maintains all Canal aids to navigation; such as buoys, beacons, range lights, bank lights, etc.
- (7) The Prevention and Spill Control Section is responsible for controlling and clean-up operations as result of oil spills.
- (8) The Land Transportation Unit under the Transportation and Deck Assistance Section is responsible for providing land transportation for Canal transiting pilots and other operations personnel as required.
- (9) The Maritime Training Unit is responsible for administering the Pilot Understudy Program (PUP), the Pilot-in-Training Program (PIT) and the Limited Pilot Program. In addition, the section provides training for the maritime work force in the ship-handling simulator.
- (10) The Security and Emergency Response Division assigns fire-fighting vehicles at each lock during transit of vessels with dangerous cargo. It provides Emergency Medical Technician (EMT) and ambulance assistance when required. It also provides fire-fighting assistance to vessels in Canal operating waters and controls bank grass fires when required.
- (11) The Maritime Safety Unit under the Board of Inspectors is responsible for certification of Panama Canal Authority floating equipment.
- (12) The Accounts Receivable and Payable Section (Customer Deposit) of the Accounting Division is responsible for providing financial clearance to all transiting vessels.
- (13) The Port Operators are responsible for berth assignments for docking vessels; provide berthing foreman with sufficient line gangs for harbor operations; provide MTC with docking/undocking information such as draft and arrival/departure times of docking/undocking vessels.
- (14) Commercial tug service providers: responsible for providing of tug assistance to vessels docking/undocking at Balboa and Cristobal harbors.
- (15) The Board of Inspectors is responsible for the official inquiry and examination into the circumstances surrounding marine accidents, which occur in the Canal operation compatibility area, harbors, Canal anchorages, and areas adjacent thereto involving Authority personnel and/or equipment; and for the certification of maritime credentials of Authority employees.
- (16) The Shipping Agencies are responsible for providing ETA messages, ready times, vessel booking/cancellation, etc., and any other information pertaining to the transit of vessels when required.



**c. *Scheduling of Vessels Not Ready for Transit***

Vessels not ready for transit because they are awaiting orders, are overdraft, undergoing repairs, or require inspection prior to transit disrupt the scheduling process. In order to minimize these disruptions, the following guidelines shall apply:

- (1) Vessels that have lost their original transit, through no fault of the Authority, will not be scheduled for transit ahead of a vessel for which a pilot has been called.
- (2) Overdraft vessels will not be scheduled for transit until the draft is corrected and the vessel has been inspected by a Canal Port Captain. Once approved by the Canal Port Captain, the vessel will be scheduled based on its arrival time but after vessels for which a pilot has been called.
- (3) Vessels awaiting orders will not be scheduled for transit until MTC has been notified that the vessel will definitely transit the Canal. The vessel will then be inserted in the transit schedule, using the notification time in lieu of the vessel's arrival time, for the purpose of determining the order of transit, after vessels for which a pilot has been called.
- (4) Vessels requiring repairs prior to transit will not be scheduled for transit until the vessel is found ready. When MTC is notified that the vessel is ready and if it is necessary for a Canal Port Captain and/or a Transit Vessel Inspector to inspect and test the machinery, the inspection will be done as soon as practicable after the agent reports that the repairs have been completed. When the vessel is found ready, it will be scheduled based on its arrival time but after vessels for which a pilot has been called.
- (5) A vessel that is not in the current day's schedule because it was not expected to be ready for transit will not be inserted in the schedule ahead of a vessel for which a pilot has been called, unless it is advantageous to do so for operational reasons.
- (6) Vessels having reservations under the Transit Reservation system will be scheduled in accordance with the rules of that system. Vessels whose reservations have been cancelled or forfeited will be scheduled in accordance with the rules outlined in the above paragraph.

**d. *MTC/ Port Operator Liaison***

(1) Coordination between MTC and the Port Operators is essential to the efficient operation of the ports of Balboa and Cristobal. To ensure that berths are correctly assigned by authorized persons, the following procedure will be followed:

- (a) Estimated Time of Arrival (ETA) information will be entered into the EVTMS as it is received from ships' agents.
- (b) The Port Operator berthing foreman will monitor EVTMS listings of docking vessels and notify the MTC harbor controller of berth assignments by electronic mail.

(c) Upon receipt of a berth assignment, the MTC harbor controller will enter the information into the EVTMS.

(d) This procedure must not, in any way, inhibit the informal exchange of information by radio and/or telephone that is essential to efficient operations. Harbor controllers must seek out needed information and update computer files as necessary.

(2) To ensure the availability of the harbor foreman and line handlers, the harbor controller must advise the Port Operator harbor foreman sufficiently in advance of each docking/undocking of the approximate time, berth at which a vessel will be docking/undocking, and special instructions if any. The MTC harbor controller and the Port Operator harbor foreman must be readily available to each other 24 hours a day by radio or telephone for the conduct of business.

(3) It is imperative that the Port Operator harbor foreman confirm that berth assignments and special docking instructions received from the harbor controller agree with information he has received from the Port Operator Berthing Section. If berthing information is not in accord, the matter must be immediately resolved. If the Port Operator harbor foreman fails to challenge berthing information received from the harbor controller and the vessel is incorrectly spotted or docked at the wrong berth, the expense of later shifting of the vessel will be the responsibility of the Port Operator.

**e. *Attachment of Vessels by the Republic of Panama***

(1) *Introduction:* This section contains the subject matter regulated in Chapter III, Section Three, articles 47 to 49, of the Regulation on Navigation in Panama Canal Waters (*ACP Navigation Regulations*).

(a) Vessels in Panamanian waters are subject to the jurisdiction of the Maritime Tribunals of the Republic of Panama. The Panama Canal Authority (ACP) will consider a vessel under judicial attachment to be in a "not ready" status until an order of release or authorization to move is issued by the court and the ship's local agent notifies Maritime Traffic Control Unit (MTC) of the change of condition.

(b) As a matter of administrative procedure, that court will attempt to notify local agents of vessels scheduled for Canal transits, but which are to be attached in connection with litigation brought before it. Agents receiving such notice are responsible for immediately advising MTC that their vessels have been attached. Agents will also be responsible for providing the Authority with instructions regarding delays, cancellation or rescheduling of transits. Applicable charges will be assessed in accordance with the current tariff schedule. Additionally, piloting, tugboats or any other extraordinary services provided by the Authority due to judicial attachments will be charged to the vessels concerned.

(c) In the case of an attached vessel which is booked for transit under the *ACP Navigation Regulations, Articles 12 to 25*, it is the agent's responsibility to cancel or retain the booking slot, following the rules outlined in that section. Should the vessel not be ready to proceed at the time fixed for transit, the booking fee will be forfeited.

(d) No orders of attachment will be served on vessels under way with a pilot on board and proceeding to transit. Judicial attachments in such cases will continue to be effected after the transit has been completed.

(e) As a parallel matter, the master of a vessel scheduled for transit is, by virtue of his position, always required to advise Authority pilots and other appropriate Canal officials if his ship has been attached.

(2) *Operating Guidelines:* The Panama Canal Authority has established the following operating guidelines with regard to attachment of vessels by the Republic of Panama:

(a) No vessel will be stopped or held by the Authority unless a valid court writ of attachment or warrant of arrest is presented. The original or duplicate original must be presented to the Transit Operations Division Executive Manager, or Watch Supervisor at MTC Center in La Boca or the Canal Port Captain in Cristobal before any action is taken by the Authority.

(b) A vessel that is underway and proceeding to transit will not be stopped. The Authority will; however, provide transit information concerning the vessel so that appropriate action may be taken at the end of the vessel's transit. The Authority will provide other assistance, such as launch service for the process server, on a cost-reimbursable basis. Further, the Authority will permit the service of the writ of attachment or warrant of arrest at any time after the vessel has cleared the last lock in the course of its transit. If the vessel is to be docked subject to the attachment, unless operationally feasible to do otherwise, the Authority will permit alteration of the vessel's intended course only after it has passed buoys No. 1 and 2, in the case of a southbound vessel, and the mole buoy, in the case of a northbound vessel. Arrangements may be made for the services of a pilot to return the vessel to the dock prior to reaching those points. Such services shall be chargeable to the vessel.

(c) If a writ of attachment or warrant of arrest of a vessel that is at anchor is presented, the Authority will not transit the vessel. The document must, of course, be received by the Authority in time to notify the pilot prior to the vessel's weighing anchor.

(d) If a pilot is assigned to move a vessel from a dock and, prior to casting off the lines, a writ of attachment or warrant of arrest of the vessel is presented to the Authority, the pilot will be recalled. If, prior to the receipt by the Authority of such document, the pilot orders the lines cast off and the Panama Ports Company linehandlers do not cast off the lines, the pilot will not make any further attempt to get underway. If the vessel's crew casts off the lines; however, the pilot will, in the interest of safety, assume control of the vessel's movements. The guidelines contained in paragraph f. (2) (b), above, will thereafter apply.

(e) Once a writ of attachment or warrant of arrest of a vessel has been presented to the Authority, and the vessel has been attached by the Republic of Panama, the Authority will not reschedule the vessel for transit or provide it with pilot services until an order of release, issued by the same court, is received.

*f. Rules and Provisions Concerning the Panama Canal Transit Reservation System*

**ACP NAVIGATION REGULATIONS, ARTICLE 13**

**Applicability and scope**

Subject to the limitations imposed by Articles II and VI of the 1977 Treaty concerning the Permanent Neutrality and Operation of the Panama Canal, between the United States and the Republic of Panama, and subject to compliance with the provisions of this part, the Panama Canal Transit Reservation System allows vessels, including commercial passenger vessels, desiring to transit the Canal, to reserve transit slots in advance of arrival to Canal waters and be moved through the Canal on pre-assigned dates.

**ACP NAVIGATION REGULATIONS, ARTICLE 8**

**Definitions**

(a) *Booked for transit* means assignment in advance of a specific date for transit of a vessel through the Canal.

(b) *Commercial passenger vessel* means a vessel that principally transports passengers and runs on fixed published schedules.

(c) *Regular transit* means movement through the Canal of a vessel that has not been booked for transit, on the date and time determined by the ACP.

(d) *Required arrival time* means the date and time established by ACP as the deadline by which a vessel booked for transit must arrive in order to transit.

(e) *Just-in-Time (JIT) Transit* is a service which allows a booked vessel to arrive at a pre-established time requested by the customer and confirmed by the Authority.

(f) *Vessel agent* means a person or entity that has been authorized by a vessel owner or operator, in the manner prescribed by ACP, with faculties to represent the vessel.

**FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATIONS, ARTICLE 8**

1. *Vessel Classification.* For purposes of these rules, vessels are classified as *Neopanamax* when they are over 107 feet (32.62 meters) in beam or over 966 feet (294.44 meters) in length; *supers* when they are 91 feet (27.74 meters) in beam or over but no more than 107 feet (32.61 meters) in beam, and length overall not exceeding 966 feet (294.44 meters); and *regulars* when they are under 91 feet (27.74 meters) in beam.

2. *Required Arrival Times/Neopanamax.* Required arrival time for neopanamax vessels is 2200 hours of the day prior to their booked date. For Neopanamax LNG carriers, the required arrival time is 0330 hours of their booked date. Neopanamax commercial passenger vessels are exempt from this requirement, provided that they arrive with enough time to maintain their schedule.

3. *Required Arrival Times/Restricted Transits.* Required arrival time for *supers* and *regular* vessels transiting under restrictions that are booked for transit, means the vessel must arrive at a Canal terminal by 0200 hours the day of transit. Commercial passenger vessels are exempt from this requirement, provided that they arrive with enough time to maintain their schedule. Submarines and other *high-value* transits may be instructed by the ACP to arrive past the required arrival due to operational and/or security reasons.

4. *Required Arrival Times/Unrestricted Transits.* Required arrival time for *regular* vessels not transiting under restrictions that are booked for transit, means the vessel must arrive at a Canal terminal by 1400 hours the day of transit. Commercial passenger vessels are exempt from this requirement, provided that they arrive with enough time to maintain their schedule. Submarines and other *high-value* transits may be instructed by the ACP to arrive past the required arrival due to operational and/or security reasons.

5. *Required Arrival Times/Just-In-Time Transits.* Vessels that have been awarded the JIT transit service shall arrive at a Canal terminal by the time confirmed by the Authority.

6. *Arrival Time.* For purposes of these rules, a vessel booked for transit will be deemed to have arrived at a Canal terminal when an ACP signal station establishes radio contact with the vessel and:

(a) The vessel is visually sighted by the signal station; or

(b) The vessel is identified on ACP radar by location, speed and course at a distance of not more than 8 nautical miles (13.6 kilometers) from the sea buoy on the Pacific side or from the breakwater entrance on the Atlantic side.

In case a southbound vessel is departing a port in Manzanillo Bay, the vessel establishes radio contact with the ACP Cristobal Signal Station and reports its position as it passes the East Breakwater entrance on a southbound course. The ACP Port Entry Coordinator confirms the vessel's position through visual sighting or by radar. A vessel in this situation must arrive at the Canal breakwater entrance in sufficient time for its scheduled pilot pick-up. If the vessel fails to do this, the reserved transit slot will be canceled.

## **ACP NAVIGATION REGULATIONS, ARTICLES 15 AND 16**

### **Booking periods; allocation of reserved slots**

(a) Only vessel agents may request reserved transits during the following booking periods:

#### *Special Periods*

*Commercial Passenger Vessels* - 730 to 366 days prior to the requested transit date.

Normal Periods

- (1) *First Period* - 365 to 22 days prior to the requested transit date.
- (2) *Second Period* - 21 to 4 days prior to the requested transit date.
- (3) *Third Period* - 3 to 2 days prior to the requested transit date.

**Note:** The third period closes at 1500 hours during weekdays and 1430 hours during weekends and holidays.

(b) Normally, a total of 30 reserved transit slots will be made available throughout the established booking periods, allocation of which is to be determined by the ACP. The ACP may adjust the total number of available reserved transit slots, commensurate with the safe and efficient operation of the Canal.

### **FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATIONS, ARTICLES 15 AND 16**

1. *Transit Slot Allocations.* The reserved transit slots available per day will be allocated among booking periods and size of vessels as set forth in the following table:

VESSEL	Passenger Vessels	1st Booking Period	2nd Booking Period	3rd Booking Period
<b>Neopanamax:</b> more than 107 (32.62 m) in beam	1	4	2	
<b>Supers:</b> 91ft. (27.74m) in beam and over, but no more than 107 ft. in beam	3	4	3	5
<b>Regulars:</b> under 91ft. (27.74m) in beam	3		1	4
<b>Total of 30</b>	<b>7</b>	<b>8</b>	<b>6</b>	<b>9</b>

2. *Passenger Vessel Allocations.* From 730 to 366 days prior to the requested transit date, one slot for Neopanamax, three slots for supers and three slots for regulars from the 1st booking period will be available exclusively for commercial passenger vessels. These slots will be awarded through competition when the special period opens and on a first-come, first-served basis after the competition has closed. Upon the expiration of this special period, unused slots will be offered in the normal manner in conjunction with the rest of the slots available during the 1st booking period. No distinction will be



made between commercial passenger vessels and other vessels when assigning any remaining reserved transit slots in any of the remaining booking periods. The booking slot for Neopanamax commercial passenger vessels requesting a *turn-around* transit will be limited to one (1) per day. Vessel agent shall inform the ACP that they are requesting a *turn-around* transit when creating or updating their visit in the Maritime Service Portal, prior to submitting their booking request. Failure to provide this information may result in the cancellation of the vessel's booking, as well as the application of corresponding charges.

3. *Panamax Plus Vessels.* At this time, Panamax vessels with drafts greater than 39.5 feet TFW (also known as Panamax plus vessels) are not allowed to book their transits.

4. *Second Period for Neopanamax Vessels.* Two slots will be offered during the tiebreaker competition of the 2nd booking period for Neopanamax vessels. Unused slots from the 1st booking period that are carried over to the 2nd booking period, will also be offered during the tiebreaker competition of the 2<sup>nd</sup> period. Full container vessels shall have priority over vessels from other market segments when assigning such slots during the competition. After the 2<sup>nd</sup> period tiebreaker competition, any remaining slots will become available to interested vessels from any market segment, on a first-come, first-served basis. Unused booking slots from the 2<sup>nd</sup> booking period will be carried over to the 3<sup>rd</sup> booking period.

5. *Slot Reallocation for Neopanamax Vessels.* Booking Slots that become available due to booked neopanamax vessels transiting prior to their reserved date, may be offered to interested neopanamax vessels in the same manner as when the slot becomes available due to cancellations or changes in booking date, either through competition (regular or special), or *first-come, first-served* after the competition, provided that the booked vessel transits more than two days prior to its booking date.

6. *Noepanamax LNG Vessels.* Of the seven (7) slots offered per day, only one (1) slot may be allocated to LNG vessels.

7. *Just-In-Time Transit Slot Allocation.* A maximum of four (4) just-in-time booking slots may be offered per day to supers, and of these, no more than two (2) slots may be allocated to vessels transiting in the same direction. Similarly, a maximum of two (2) just-in-time booking slots may be offered per day to regulars transiting without restrictions, one per direction. At the opening of a booking period, requests for JIT slots will be assigned to vessels that are awarded the booking slots during the tie-breaker competition for that period. After the tie-breaker competition, all of the remaining JIT slots will be awarded based on the order in which the requests are received. Request for any given day will be accepted until 1100 hours of the closing day of the third period. JIT slots that become available due to cancellations will be offered first to those vessels whose request for JIT transit were rejected during tie-breaker competition, in order of rejection. If there are no rejections, or if none of the vessels that had previously requested the JIT service are interested, the JIT slots will



become available to any interested booked vessel. If a booking cancellation of a vessel with a confirmed JIT transit service occurs prior to 1100 hours of the closing day of the third period, the JIT slot that becomes available may be awarded, in the order in which the requests for the JIT service are received. JIT slots that become available due to cancellations after 1100 hours will not be reassigned.

**Note:** The Authority may reduce the amount of JIT slots offered daily or suspend the service entirely, in order to ensure the safety and efficiency of the operation. Nevertheless, vessels that have already been confirmed a JIT slot will be honored.

8. *Allocation of slots to Regular Vessels up to 300 feet in length.* A maximum of three slots will be offered on a daily basis during the third period to regular vessels up to 300' LOA without transit restrictions. These slots are in addition to those already offered to regular vessels and will depend on the number of vessels that fall within this category and that have requested a booking slot. These slots will be limited to two per direction during conditions 1 and 1a. During condition 2, the maximum number of additional slots to be allocated will be limited to two slots, regardless of transit direction. Vessels that have been awarded these slots will not be allowed to request Daylight Transit.

9. *Allocation of Slots through the Auction Process.* An additional slot is available to supers and regulars vessels through an auction process during the 3rd period only, in any booking condition that may be present at the time. This slot will only be available once all the normal booking slots available for either supers or regulars, independent of each other, have been allocated.

In addition to the above-mentioned requirements, the auctioned slot will be subject to the following terms and conditions:

(a) A Customer Code and the amount of the bid will be the only information required to place a bid.

(b) A different user name is required for each Customer Code in each published auction. The system will validate the use name and the Customer Code used to place the initial bid and will create a key with this information. After the first bid is entered, the system will automatically propagate this Customer Code for every subsequent bid in the bidding screen window.

(c) The auction process will begin not earlier than 1400 hours on the opening day of the 3rd period for the slot to be auctioned, or not later than 1100 hours on the closing day of the 3rd period (two days before transit date of the auctioned slot), and will end not earlier than 1330 hours on the closing day of the 3rd period (two days before transit date of auctioned slot).

(d) The auction closing time will automatically be extended by two minutes should a bid be received within the last two minutes of the initial closing time. These automatic extensions will continue until no bid is received during the last two minutes of the current closing time.

(e) The initial or base price for the auctioned slot is thirty five thousand dollars (\$35,000) for supers and fifteen thousand dollars (\$15,000) for regulars.

(f) If the auction is initiated due to all booking slots for regulars having been allocated while slots are still available for supers, the initial or base price will be fifteen thousand dollars (\$15,000). However, if all the booking slots for supers are allocated while the auction is in progress for regulars, the base will be thirty five thousand dollars (\$35,000), provided that all the slots for supers are allocated prior to 1100 hours on the closing day of the auction.

(g) The auctioned slot will be awarded to the customer who submits the highest bid during the auction period. Vessels awarded the auctioned slot have the same options as other booking slots, such as requesting same-day transit, swaps, and substitutions, except change-in-transit-date.

(h) If a cancellation of an already awarded auctioned slot occurs before the closing of the 3rd period, the slot will be offered to the next highest bidder.

(i) If a cancellation occurs during or after the auction process, and the vessel which is to be awarded the cancelled slot is the same as the vessel which made the highest bid, the cancelled slot will be awarded to the vessel at the normal booking rate, and the auctioned slot will be offered to the next highest bidder.

(j) Vessels awarded an auctioned booking slot which have already secured a normal booking slot during 3rd period competition for the date following the auctioned booking slot date, will be given the option to retain either one of those booking slots. Should the vessel elect to retain its normal booking slot, the auctioned booking slot will be offered to the next highest bidder. If, on the other hand the vessel elects to retain the auctioned booking slot, then its normal booking slot will be voided at no additional charge.

(k) Fully integrated tug and barge unit (ITB) participating in the auction process will have its bid assigned to the piece of the unit with the higher booking fee. If an ITB is awarded the auctioned booking slot, then the larger of the two pieces will pay the winning bid, while the smaller piece will be required to pay its normal applicable booking fee.

(l) Information provided by users during the auction process will remain strictly confidential. Once the bid is closed, the complete information with all the placed bids will be published and displayed in the bidding history, which will indicate the last bids placed by a proxy.

(m) The ACP Auction System is available at <http://www.pancanal.com/eng/op/index.html>

10. *Unused Slots.* Upon expiration of a booking period, if a reserved transit slot allocated to that booking period was not used, for whatever reason, the unused reserved slot will be assigned to vessels seeking reserved transits in the booking period(s) that follow(s).

11. *Transit Condition Changes.* When, due to operational factors, sustained Canal capacity is expected to be reduced, a corresponding reduction in the number of

available reserved transit slots in the Panamax Locks may be ordered by the Canal Authority, as set forth in the following table:

CONDITION	CAPACITY	SUPERS	REGULARS	TOTAL
1. Normal operations	33 or over	15	8	23
1.a. Reduction in capacity without lane outages (for example: culvert outages or lockages with restrictions)	28 to 32	13	6	19
2. Significant reduction in capacity (for example, lane outages)	Less than 28	10	6	16
3. Backlog of 90 or more vessels awaiting transit at both Canal terminals for at least 2 days	N/A	10	4	14
4. Severe reduction in Canal capacity (slides, vessel accidents or other unforeseen circumstances)	N/A	0	0	0

12. *Condition 3.* The ACP may invoke Condition 3 whenever the total number of vessels awaiting transit at both Canal terminals is projected by Canal Authorities to be, within two days, 90 or more vessels for at least two consecutive days.

13. *Notice of Changes.* Whenever transit conditions are to be upgraded to a less restrictive condition, Canal authorities will, when feasible, give vessel agents a two-day advance notice.

14. *Same Direction Transits /Neopanamax.* During normal conditions, no more than four (4) Neopanamax vessels may be booked for transit in the northbound direction, and of these, no more than one (1) with daylight restriction. Similarly, no more than three (3) Neopanamax may be booked for transit in the southbound direction, and of these, no more than one (1) with daylight restriction. *Full daylight* restricted vessels are not allowed to book their transit.

15. *Same Direction Transits/Supers.*

(a) During normal conditions, no more than eight (8) *supers* may be booked for transit in the southbound direction and, of these, no more than four (4) with daylight restrictions. Similarly, no more than eight (8) *supers* may be booked for transit in the northbound direction and, of these, no more than four (4) with daylight restrictions. The combined number of daylight restricted vessels shall not exceed eight (8) vessels.

**Note:** During periods of reduced capacity without lane outages the limits by direction or restriction, as well as the number of JIT transit slots, shall be determined by the Authority, commensurate with the safe and efficient operation of the Canal.

(a) During Condition 1.a., no more than seven (7) supers may be booked for transit in the southbound direction, and of these, no more than four (4) with daylight restrictions. Similarly, no more than seven supers may be booked for transit in the northbound direction and of these, no more than four (4) with daylight restrictions. The combined number of full daylight-hour restricted vessels shall not exceed eight vessels.

(b) During Conditions 2 and 3, no more than six *supers* may be booked for transit in the same direction and, of these, no more than five with “full daylight-hour” restrictions. The number of “full daylight-hour” restricted vessels shall not exceed eight, and the number of JIT transit slots may not exceed one per direction.

(c) Before the closing of the 3<sup>rd</sup> booking period, if there are still booking slots available for *supers*, they may be offered first to those *supers* that failed to secure a booking slot during the 3<sup>rd</sup> period competition, in order of rejection, followed by any subsequent rejections, even if the assignment of these slots exceeds the established limits by direction or restrictions. If the rejected vessel that was awarded the slot had previously been awarded a slot for an alternate date, then the cancellation fee for the change in date will not be applied. If there are no rejections, or no *supers* interested in the remaining slots, they may be offered to *regulars* that were rejected during or after the 3<sup>rd</sup> period competition, in order of rejection.

(d) Exceptions to the limits may only be made with the express authorization from the Executive Vice President for Operations, or his designee, and only in such cases where the operational efficiency is not compromised.

#### *16. Same Direction Transits/Regular Vessels.*

(a) During normal conditions, no more than four (4) regular vessels may be booked for transit in the same direction. Of the total number of slots available, no more than two shall be allocated to regular vessels transiting under restrictions, i.e., clear-Cut, daylight hours, or daylight hours in the Cut.

**Note:** During periods of reduced capacity without lane outages, the limits by direction or restriction, as well as the number of JIT transit slots, shall be determined by the Authority, commensurate with the safe and efficient operation of the Canal.

(b) During Condition 1.a., no more than four regular vessels may be booked for transit in the same direction. Of the six slots available, no more than two may be allocated to a regular vessel transiting under restrictions, i.e., clear-Cut, daylight hours or daylight hours in the Cut.

(c) During Condition 2, no more than four regular vessels may be booked for transit in the same direction. Of the six slots available, no more than one may be allocated to a regular vessel transiting under restrictions, i.e., clear-Cut, daylight hours, or daylight hours in the Cut. The number of JIT slots offered to regular vessels transiting without restrictions will remain at one per direction.

(d) During Condition 3, no more than two regular vessels will be booked for transit in the same direction. Of the four slots available, no more than one may be allocated to a regular vessel transiting under restrictions, i.e., clear-Cut, daylight hours, or daylight

hours in the Cut. The number of JIT slots offered to regular vessels transiting without restrictions will remain at one per direction.

(e) Before the closing of the 3<sup>rd</sup> booking period, if there are still booking slots available for regulars, they may be offered first to those regulars that failed to secure a booking slot during the 3<sup>rd</sup> period competition, in order of rejection, followed by any subsequent rejections, even if the assignment of these slots exceeds the established limits by direction. If the rejected vessel that was awarded the slot had previously been awarded a slot for an alternate date, then the cancellation fee for the change in date will not be applied. If there are no rejections, the available slots may be offered to any interested regular vessel.

(f) Exceptions to the limits may only be made with the express authorization from the Executive Vice President for Operations, or his designee, and only in those cases whereby the operational efficiency is not compromised.

16. *No Re-Assignments.* Once a vessel is assigned a reserved transit slot, that slot will not be re-assigned to any other vessel unless the vessel's agent subsequently cancels the reserved transit; or, the vessel is assigned an earlier transit date; or, as permitted herein, the vessel is substituted or swaps its reserved transit slot with another vessel booked for transit.

## **ACP NAVIGATION REGULATIONS, ARTICLES 12, 20 AND 21**

### **Booked transits**

1. The specific daily order of vessels, as well as the mix of vessel types transiting the Canal, whether booked or not, shall be determined by the ACP. The ACP may transit a booked vessel prior to its reserved transit date, provided that it does not affect the safe and efficient operation of the Canal.
2. Notwithstanding assignment of an earlier reserved transit slot by the ACP, all booked vessels will be charged the prescribed booking fee.
3. Swapping and substitution of reserved transit slots between or among booked vessels will be permitted only on conditions specified by the ACP.

## **FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATIONS, ARTICLES 12 AND 21**

1. *Dead Tows.* Dead tows, small craft transiting as *handlines*, and vessels that do not meet all transit and safety requirements cannot be booked for transit.
2. *Payment Authorization.* To participate in the Transit Reservation System, the vessel agent must furnish the ACP a letter containing the names and sample signatures of persons designated to authorize payment of the vessel's transit costs (including booking fees).
3. *Booking Form.* To request a reserved transit slot, the vessel agent must complete a Request for Transit Booking by using the available system as determined by the Authority. The booking requests (ACP form 4623) may also be faxed to (507) 272-

5137, or personally delivered to Maritime Traffic Control Unit, Building 910, La Boca, 24 hours a day.

4. *Processing Requests.* Requests for reservations for the beginning of any period will be received daily beginning at 0900 hours, but processing will not begin until after 0930 hours. Except as established in paragraph (f) of the Tie-Breaker Criteria established below, all requests received between 0900 and 0930 hours will be treated as having been received at the same time. Thereafter, requests will be processed in the order they are received. After 0930 hours, the order of preference for requests logged simultaneously is by electronic means, followed by faxed requests to 272-5137, 272-5892 and 272-5736 (in this order) and, finally, personally delivered requests.

5. *Tie-Breaker Criteria.* If, at the time processing begins, transit reservation requests exceed the number of available reserved transit slots for any given period, assignment of available slots to vessels competing for reserved transits will be made in the following order of preference:

(a) Customers with the highest ranking of Panama Canal business. This ranking will be determined as a result of the weighted average of the ranking of total transits (40%) and the ranking of tolls paid (60%) during the preceding 12-month period, which ends the last day of the month preceding the month of the transit request (i.e. if the transit request is made in December, the last day of the 12-month period would be in October). This customer ranking will be calculated and published each month by the ACP Marketing Analysis and Research Office Division. Shipping agencies must ensure that the Customer Codes are included in all ETA messages, as discrepancies with the Customer Code reported in the Booking Request will invalidate the request.

**Note:** It is important that the Customer Code provided for each vessel's visit be correct. After completion of a vessel's visit, agents and customers are granted a 30-day grace period in order to request corrections to the Customer Code provided in the vessel's visit, so that the correct code is credited for the transit.

If two or more vessels with the same customer code are competing for a reserved slot, the vessel agent may request priority for a particular vessel. In such case, the agent must send the written request to the ACP Booking office ([booking@pancanal.com](mailto:booking@pancanal.com)) prior to 0930 hours of the day of the competition.

Non-compliance with the Customer Code procedure by providing incorrect, false, or deficient information to the ACP constitutes a violation of the Maritime Regulations for the Operation of the Panama Canal, and may result in fines ranging from \$100 to \$1,000,000. The application of sanctions does not preclude the ACP from cancelling previously approved consolidation of customer codes, and may also result in the loss of the amount of transits that have been credited to the offending customer.

In order to ensure transparency in the use of the Customer Codes, the ACP submits an electronically generated notification to customers whenever an ETA or Ship Due transaction has been created or a customer code of an existing ETA or Ship Due is modified in the Panama Canal's Maritime Service Portal. A response is only required if the customer code is being used without authorization. Canal customers shall maintain



their official electronic mail addresses up to date by contacting the Customer Relations Unit at: [customerrelations@pancanal.com](mailto:customerrelations@pancanal.com) or Customer Services Unit at: [customerservice@pancanal.com](mailto:customerservice@pancanal.com)

(b) Vessels in the order of frequency they transited booked during the preceding 12-month period, which ends the last day of the month preceding the month of the transit request;

(c) Vessels in the order of frequency they transited, whether booked or not, during the preceding 12-month period, which ends the last day of the month preceding the month of the transit request;

(d) Vessels in the order of their most recent transit, whether booked or not;

(e) Vessels which, on at least the two previous consecutive days, requested, but failed to obtain reserved transit slots because they did not win under the preceding tie-breaker criteria.

(f) Vessels in the order in which booking requests are received.

6. *Incomplete Booking Request Forms.* Transit booking request forms that are incomplete (including not furnishing the vessel's ETA), not signed by the vessel's agent, faxed to the wrong number, or personally delivered to someone other than the designated MTC reservation assistant, cannot be processed. Failure of the vessel agent to provide complete and accurate information required by the ACP when requesting transit bookings may result in rejection of the booking request or cancellation of the vessel's reserved transit slot.

7. *Acknowledgments.* Vessel agents will be furnished acknowledgments of receipt of transit booking requests as soon as possible following receipt.

8. *Notifications.* Notification of approval or disapproval of a transit booking request will be furnished to the vessel agent once the request is processed.

9. *Substitutions.* A vessel already booked may only be substituted by another non-booked vessel, subject to the following conditions:

(a) Both vessels are registered with the same operator (same Customer Code);

(b) Both vessels are transiting in the same direction;

(c) The new vessel must be within the same vessel classification (neopanamax, super or regular) and be subject to the same or lesser transit restrictions as the original one; and

(d) The written request for substitution shall be received by the ACP Maritime Traffic and Admeasurement Section 24 hours or more prior to the required arrival time of the booked vessel.

If the substitution is requested 7 days or more in advance of the booked vessel's required arrival date, there will be no cancellation charge. If the substitution is requested less than 7 days in advance of the booked vessel's required arrival date, a cancellation fee will be assessed.



The booking fee applied to the substituting vessel will be the higher of the two booking fees applicable to the vessels involved in the substitution, in accordance with the current booking rates.

If the requested substitution involves a booked vessel approved for the JIT transit service, the new vessel will retain the JIT transit and arrival requirement of the original vessel, if solicited at the time the substitution is requested. Otherwise, the JIT transit slot will become available and will be offered to any interested booked vessel, as prescribed in this Notice.

10. *Swapping.* Swapping of reserved transit slots between two booked vessels is allowed, subject to the following conditions:

- (a) Both vessels must be booked for transit within 21 days of each other;
- (b) Both vessels must be transiting in the same direction;
- (c) Both vessels must be within the same vessel classification (neopanamax, super or regular) and be subject to the same transit restrictions and arrival requirements;
- (d) Vessel operators (Customer Codes) must be the same for both vessels;
- (e) A request for swapping must be received by Maritime Traffic Control no later than 24 hours prior to the earliest required arrival time of the vessels. Such request may be made in writing;
- (f) The booking fee applied to both vessels will be the higher of the two booking fees applicable to the vessels involved in the swapping, in accordance with the current booking rates; and
- (g) Vessels are permitted to swap their reserved transit slot up to five times per booking. The swapping fee to be applied will depend on the number of swaps the vessel is involved in, according to the following table:

NUMBER OF SWAPS	SWAPPING FEE PER VESSELS	
	Neopanamax and Supers (vessels 91' beam and over)	Regulars (vessels under 91' beam)
1st swap	Included in the transit reservation fee	
2nd swap	\$14,000	\$4,200
3rd swap	\$21,000	\$6,300
4th swap	\$28,000	\$8,400
5th swap	\$35,000	\$10,500

The payment shall be made once the swap is approved by the ACP.

(h) For swaps involving two booked vessels with JIT transit service, each JIT slot will remain on the date and time originally established. Similarly, for swaps between a booked vessel with JIT service and a booked vessel without JIT, the JIT slot will remain on the date and time originally established.

11. *Change in booking date.* A change in booking date will be allowed without a cancellation charge, provided if requested 60 days or more prior to the reserved arrival date. The booking fee applied will be in accordance with the booking rates applicable at the time the change is requested.

12. *Charges for daylight transit.* Only *non-daylight* restricted booked passenger vessels, military and other non-commercial government-owned vessels, and yachts (provided that they have been booked) may request the option of daylight transits. The daylight transit fee is \$30,000.00 as established in tariff item #1050.0247 of the Marine Official Tariff. For purposes of this option, a *daylight transit* is a transit in which the passage through two sets of locks and Gaillard Cut is accomplished during daylight hours.

The cancellation of daylight transit request will incur a charge, in accordance with the following table:

<b>Notice Period</b> (In advance of required arrival time)	<b>Cancellation Fee</b> (Based on the vessel's booking fee)
Over 60 days	No cancellation charge
Over 30 days to 60 days	10% of booking fee
Over 21 days to 30 days	40% of booking fee
Over 72 hours to 21 days	60% of booking fee
36 to 72 hours	80% of booking fee
Less than 36 hours	100% of booking fee

The cancellation fees applicable to a daylight transit for regular passenger vessels will be based on an arrival time of 1400 hours.

## **ACP NAVIGATION REGULATIONS, ARTICLE 19**

### **Passenger vessel and full container vessel preference**

Commercial passenger vessels shall be given preference over other vessels in transiting, provided they have been booked, and to the extent that such treatment does not impair safe and efficient operation of the Canal. Additionally, booked full container vessels may be given preference over other vessels in transit, provided that such treatment does not impair safe and efficient operation of the Canal.

**ACP NAVIGATION REGULATIONS, ARTICLE 16**

*(Regulation to Set Tolls, Rates and Fees for the Transit of Vessels through the Canal, and Rendering Related Services and Complementary Activities, Articles 1 and 4, Panama Canal Authority Official Tariff, item No. 1050.0000)*

**Booking fees**

The booking fee for reserving a transit slot for a vessel shall be in accordance with the Panama Canal Authority Official Tariff. The Just-In-Time transit service will be offered at no additional cost.

**FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATION, ARTICLE 16**

1. *Payments.* Booking fees shall be paid or secured in the same manner as tolls and other vessel charges prescribed by the ACP Official Tariff.

2. *All Vessels Included.* Except as otherwise provided in the rules, all vessels booked for transit, including commercial passenger vessels, shall pay booking and other prescribed fees inherent to transiting the Canal.

3. The booking fee is based on vessel dimensions, in accordance with the following table:

<b>BOOKING FEE TABLE</b>	
<b>Categories (in feet)</b>	<b>Any Booking Period</b>
LOA ≤ 300'	\$2,500
Beam < 80', LOA > 300'	\$5,500
80' ≤ Beam < 91', LOA > 300'	\$10,500
91' ≥ Beam < 100', LOA > 300'	\$18,500
100' ≥ Beam < 107', LOA < 900'	\$25,000
100' ≥ Beam < 107', LOA ≥ 900'	\$35,000
Beam ≥ 107', LOA > 966'	\$35,000

**ACP NAVIGATION REGULATIONS, ARTICLE 23****Penalties**

1. The reserved transit slot of a vessel booked for transit will be canceled by the ACP and the vessel will be penalized by way of forfeiture of the prescribed booking fee, or the applicable minimum fee, whichever is greater, in the following situations:

- When a Neopanamax vessel (excluding LNG vessels) has been booked for transit and does not arrive at a Canal terminal by 2200 hours of the previous day of its booking date;
- When a Neopanamax LNG vessel has been booked for transit and does not arrive at Canal terminal by 0330 hours of its booking date;

- When a super or regular vessel that is subject to transit restrictions (clear-Cut, clear-Cut daylight hours) has been booked for transit and does not arrive at a Canal terminal by 0200 hours on the day of the scheduled transit;
- When a vessel that is not subject to transit restrictions has been booked for transit and does not arrive at a Canal terminal by 1400 hours on the day of the scheduled transit;
- When a vessel booked for transit arrives on time but cannot or, at the vessel operator's election, does not transit as scheduled despite the readiness of Canal authorities to proceed; or
- When a vessel booked for transit with a JIT service does not arrive at the established arrival time, or arrives on time but cannot transit as scheduled despite the readiness of Canal authorities to proceed.

2. Vessels booked for transit that fail to arrive by their required arrival time may elect to transit on the day of their booking when re-scheduling is possible without adversely affecting other vessels, subject to an additional fee. The applicable fee for late arrivals will be determined by the vessel's actual arrival time, in accordance with the following table:

<b>LATE ARRIVAL PENALTY FEE TABLE</b>	
<b>Vessel with 2200 required arrival</b>	<b>Additional Fee</b>
2201 - 2300	25% booking fee
2301 - 2400	50% booking fee
0001 - 0100	75% booking fee
After 0100 hours	100% booking fee
<b>Vessel with 0200 required arrival</b>	<b>Additional Fee</b>
0201 - 0300	25% booking fee
0301 - 0400	50% booking fee
0401 - 0500	75% booking fee
After 0500 hours	100% booking fee
<b>Vessel with 0330 required arrival</b>	<b>Additional Fee</b>
0331-0400	25% booking fee
0401 - 0430	50% booking fee
0430 - 0500	75% booking fee
After 0501 hours	100% booking fee
<b>Vessel with 1400 required arrival</b>	<b>Additional Fee</b>
1401 - 1500	25% booking fee
1501 - 1600	50% booking fee
1601 - 1700	75% booking fee
After 1700 hours	100% booking fee

3. *Just-In-Time* booked vessels that fail to arrive by their required arrival time may elect to transit on the day of their booking, when re-scheduling is possible without adversely affecting other vessels, subject to payment of an additional fee. The applicable fee for late arrivals of JIT vessels will be 50% of their corresponding booking fee.
4. Vessels allocated through the auction process that fail to arrive by their required arrival time may elect to transit on the day of their booking, when re-scheduling is possible without adversely affecting other vessels, subject to payment of an additional fee. The additional fee for late arrival of vessels allocated through the auction process will be a percentage of their regular booking fee based on dimensions, and not based on the amount awarded in the auction process.
5. Canal authorities may cancel the vessel's booking without charge, or may waive assessment of a penalty fee if the vessel's late arrival was due to a medical or humanitarian emergency, *force majeure* or fortuitous event arising between the vessel's last port and its arrival at Canal waters that could not have been reasonably predicted in advance. Likewise, the vessel's booking may be cancelled without charge if the vessel arrives on time, but cannot transit due to *force majeure* or a fortuitous event that could not have been anticipated or prevented by the vessel. In either case, the vessel shall present in a timely manner, acceptable proof that substantiates the reason for late arrival or inability to transit.
6. Failure of the vessel agent to provide complete and accurate information required by the Authority when requesting transit bookings may result in rejection of the booking request or cancellation of the vessel's reserved transit slot.
7. When a vessel's reserved transit slot is canceled, and unless otherwise directed by the vessel agent, the ACP will re-schedule the vessel for regular transit.

### ***FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATIONS, ARTICLE 23***

*Waiver Criteria.* The Authority must be able to independently verify the event that allegedly caused late arrival or the vessel's transit to be cancelled. Heavy seas and bad weather conditions routinely encountered by vessels at sea, or delays at port or while at anchor are not considered extraordinary phenomenon or events of major proportions so as to justify waiver of assessment of penalty fees. The decision of the Canal Authority shall be final.

### ***ACP NAVIGATION REGULATIONS, ARTICLES 17 AND 24***

#### **Re-scheduling**

1. Except as otherwise provided and without the booked vessel being assessed a penalty fee, the vessel agent may request cancellation of a vessel's reserved transit slot and reschedule the vessel for regular transit or, alternatively, request assignment of an alternate reserved transit slot, in the following situations:

(a) If for whatever reason the ACP cancels the transit of a vessel booked for transit that is otherwise ready to proceed as scheduled; or

(b) If for whatever reason the ACP delays the transit of a booked vessel to the point where it may prevent the vessel's arrival on time for a second transit on a later date that has been reserved before the delay of the first transit occurred.

2. A vessel booked for transit will be deemed to have transited the Canal on its reserved transit date if the vessel arrives at the first set of locks at either Canal terminal prior to 2400 hours that day and her In-Transit Time (ITT) is 18 hours or less. The ITT begins when the vessel arrives at the first set of locks at either Canal terminal and ends when the vessel departs the last set of locks at the opposite terminal. No booking fee will be charged if, due to events that are beyond the control of the booked vessel as determined by the ACP, the ITT exceeds 18 hours. This provision shall not apply in the case of a turn-around transit in which the vessel enters and exits the same set of locks at either Canal terminal.

#### ***FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATIONS, ARTICLES 17 AND 24***

1. *Turn-Around Transits Excluded.* ACP Navigation Regulation, Article 17, shall only apply where, during the course of a scheduled transit, a vessel booked for transit arrives the first set of locks at either Canal terminal and departs the last set of locks at the opposite Canal terminal. This rule shall not apply to a "turn-around" transit where, during the course of a scheduled transit, a vessel booked for transit arrives and departs the same set of locks at either Canal terminal.

#### ***IMPLEMENTATION OF ACP NAVIGATION REGULATIONS, ARTICLE 21***

The Authority may transit a booked vessel prior to its reserved transit date, if such transit does not impair the safe and efficient operation of the Canal. In these cases, the vessel will be deemed to have transited the Canal in compliance with the ITT if the vessel departs the last set of locks prior to 2400 hours of the reserved transit date.

#### ***ACP NAVIGATION REGULATIONS, ARTICLE 22***

*(Panama Canal Authority Official Tariff, items No.1050.0040 to 1050.0090)*

##### **Cancellations**

1. A vessel agent may cancel the transit reservation by providing advance notice through a cancellation request, as prescribed by the Canal Authority. In such event, except as otherwise provided, a cancellation fee will be charged. The amount of the fee will depend on the notice period (days or hours) received by the Authority in advance of the vessel's required arrival time according to the following table:

<b>BOOKING CANCELLATION TABLE</b>	
<b>Notice Period</b> (In advance of required arrival time)	<b>Cancellation Fee</b> (the greater of)
Over 365 days	10% of booking fee or \$500
over 180 to 365 days	20% of booking fee or \$600
over 90 to 180 days	50% of booking fee or \$900
over 21 to 90 days	60% of booking fee or \$1,100
over 7 to 21 days	70% of booking fee or \$1,300
4 to 7 days	80% of booking fee or \$1,600
Less than 4 days (96 hours)	100% of booking fee

The fees applicable to booking cancellations for Neopanamax and Panamax passenger vessels and vessels who have been awarded a JIT transit service are determined based on an arrival time of 0200 hours for vessels with restrictions and an arrival of 1400 hours for vessels without restrictions.

The fees applicable for cancellation of auctioned slots will be 90% of the winning bid and shall be requested before the vessel's required arrival time or before the vessel is underway for transit, whichever occurs first.

2. Booking cancellation requests will not be accepted if received after the vessel's required arrival time or if the vessel is already underway for transit.

3. Booking slots that become available during the 1<sup>st</sup> or 2<sup>nd</sup> period due to cancellations or changes in booking dates will be offered through a "special competition", in the following manner:

- A notification will be sent by the ACP not later than 1530 hours of the day following the day the slots become available.

- Requests to participate in the "special competition" will be received from 0900 to 0930 hours of the day following the date of publication; however, processing will not begin earlier than 0930 hours.

- The procedure utilized during the "special competition" for the allocation of the available slots will be the same as the procedure utilized to allocate slots during the regular tie-breaker competition.

- Any booking request received prior to the opening of the "special competition", will not be accepted.

- Any booking request received after the cancellation or the change in transit date takes place, but before the opening of the "special competition," will not be accepted. In order for these requests to be considered, they must be re-submitted during the "special competition" period.



- If there are no vessels interested in the “special competition,” the slot will then become available on a *first come-first served* basis for the remainder of the period.
  - If a cancellation or a change in date occurs on the last day of the first or second period, the slot that becomes available will be carried over to the following period, and will be offered through the normal competition process.
  - All times referenced are local time.
4. Slots cancelled during the 3<sup>rd</sup> period will be offered first to those vessels that failed to secure a slot during the tie-breaker competition, followed by subsequent rejections (in the order of rejection), and last, to any other interested vessels, on a first-come-first-served basis, following ACP notification of availability.
  5. Booking slots that are cancelled after the closing of the 3<sup>rd</sup> period, but prior to 1100 hours on the day preceding the booking date, may be offered first to those vessels that failed to secure a slot during the 3<sup>rd</sup> period tie-breaker competition, followed by any subsequent rejections, in order of rejection. These vessels must have the same or lesser restrictions as the vessel that cancelled the booking, and must be transiting in the same direction.
  6. *Super* and *regular* vessels that have requested a booking slot for a particular date and were rejected due to unavailability of slots, but subsequently obtain a slot for an alternate date, will be allowed to change to the original date without being assessed a cancellation fee (if awarded the slot), provided that they participate in the competition for the slot; and that the reservation for the alternate date was awarded in the same booking period, but prior to the slot for the original date becoming available.
  7. *Neopanamax* vessels that have been awarded slots for alternate dates due to unavailability of slots, will be allowed to change to dates when slots become available without being assessed a cancellation fee, provided that the booking slot for the alternate date was awarded prior to the slot for the original date becoming available, and that the vessel had previously requested a booking for those particular dates and was rejected due to unavailability of slots. This provision also applies to vessels interested in slots that become available during the second booking period competition.
  8. *Reservation Date Changes for Gatun Recreational Facilities*: Changes in the reservation dates for the use of Gatun Recreational Facilities will incur in a cancellation charge. The amount to be charged will depend on the advance notification of the cancellation, in accordance with the ACP’s Official Tariff.

**FURTHER IMPLEMENTATION OF ACP NAVIGATION REGULATION, ARTICLE 22**  
(Panama Canal Authority Official Tariff, items No.1050.0040 to 1050.0090)

1. *Cancellation Form*. To cancel a transit booking, the vessel agent must complete a Request for Transit Booking Cancellation by using the available system as determined by the Authority. The transit booking cancellation request (ACP for 4633) may also be faxed to (507) 272-5137 or personally delivered to the Maritime Traffic and Admeasurement Section at Building 910, La Boca, 24 hours a day.

2. Advance Cancellation Notice. The amount of the cancellation fee to be assessed will be determined by the date and time of reception by the ACP's Maritime Traffic and Admeasurement Section of the cancellation notice.

### ***ACP NAVIGATION REGULATIONS, ARTICLE 8***

#### **Regular transits**

Vessels that are not booked for transit will be scheduled to transit on the date and in the order determined by the ACP. In establishing the daily transit schedule, the order in which vessels arrive in Canal waters for transit is only one of several items to be considered.

### ***ACP NAVIGATION REGULATIONS, ARTICLE 25***

#### **Temporary suspension of the Transit Reservation System**

1. The ACP may temporarily suspend the Transit Reservation System, in whole or in part, and for an indefinite period of time, when it is determined that such action is necessary to ensure continued safe and efficient operation of the Canal.
2. No penalty or fee will be levied against any booked vessel whose reserved transit slot is canceled by reason of a temporary suspension of the Transit Reservation System.

### ***ADDITIONAL PROVISIONS***

To facilitate the efficient operation of the Transit Reservation System, the ACP may establish additional policies and procedures, define additional terms, and issue clarifications and interpretations consistent with the provisions of this Notice to Shipping. Further implementation, clarification or interpretation will be published and distributed to Canal customers through Advisories and Notices to Shipping or other appropriate means as determined by the ACP.

#### ***g. Maritime Traffic Control Back-up Center.***

(1) This facility will be used as a command center for the Executive Vice President for Operations and others during emergencies and as a backup center in the event that the primary MTC Center is disabled by fire, civil disturbances, act of terrorism, communication failures, or when required by special circumstances.

(2) The need to relocate MTC operations at the backup center will be determined:

(a) During regular weekdays, Monday through Friday, and regular working hours, 0700 to 1530, by the Maritime Traffic and Admeasurement Section Manager (OPTC) or the Maritime Traffic Control Unit Supervisor (OPTC-T).

(b) During weekends, holidays, and non-regular working hours by the MTC Watch Supervisor.

- (3) The following operations personnel are the only authorized persons to move to the back-up facility: Watch Supervisor, Scheduler, Transit Controllers, Harbor Controllers, Transit Operations Officer, Pilot Assignment Controllers, and Marine Traffic Assistants.
- (4) If the Transit Booking System remains in operation, bookings will be accepted at a site to be designated at the time.
- (5) Once it is decided to vacate the MTC primary facility, all operations personnel will proceed in accordance with the procedures further outlined for each position.
- (6) Transportation to the backup center will be expeditiously made by any available means to include the use of privately owned vehicles.
- (7) Telephone numbers at the backup center are identical to those at MTC.
- (8) The Back-up Center is designed to operate using the EVTMS. However, if not available, operations can be conducted in a completely manual mode through the use of boards formatted to resemble the large displays in the primary MTC operations room.
- (9) In case of an EVTMS failure, the backup center is provided with an off line system that allows locks, signal stations, line handlers, etc., view the information that is being updated by MTC.
- (10) ETA information will be received through the maritime service portal, telephone, electronic mail, and/or fax.
- (11) MTC operations personnel are required to be familiar with these procedures. Periodical emergency exercises shall be performed in order to maintain readiness and full familiarization with the backup center operation.

#### ***h. Maritime Traffic Control Back-up Center Standard Operating Procedures***

##### **(1) Procedures to follow from MTC to BC - Before Leaving MTC**

###### ***(a) Responsibilities of the Watch Supervisor:***

- Get the latest GD-INFO report (SY5101RP) that is automatically printed every two hours and carry them to the BC.
- If possible, print *the Vessel Schedule* and *the Ships Available for Scheduling* Reports from the EVTMS and hand carry them to the BC.
- Call the Operator (telephone 113) and advise to contact the on-call (FAIR) electronics technician.
- Call the Technical Support Center (FAIF), telephone 272-7777) and advise to activate the BC following the procedures of Bulletin 2.16.
- Check that the "Back-up Center Briefcase" contains the following:
  - Entry card;
  - Keys to the Back-up Center located on the 3<sup>rd</sup> floor, Building 729, Balboa;
- Move expeditiously to the BC.

(b) *All other operations personnel:* Get appropriate current listings that need to be carried to the BC. Move expeditiously to the BC.

(2) Procedures to follow from MTC to BC - Upon Arrival to the BC

(a) *Responsibilities of the Watch Supervisor:*

- Turn on the printers.
- Turn on the Watch Supervisor computer and monitor.
- Make the appropriate entry in the MTC Log when operations begin in the BC.

(b) *All other operations personnel:* Each operator must turn ON his/her corresponding computer station following on-site instructions.

(3) Procedures to follow from BC to MTC - Before Leaving BC

(a) *Responsibilities of the Watch Supervisor:*

- Turn off the printers and the computers that control the Group Display.
- Call FATD and advise that the emergency is over and that personnel is returning to MTC.

(b) *All other operations personnel:* Turn off their corresponding computer station following on-site instructions.

(4) Procedures to follow from BC to MTC - Upon Arrival to MTC — Responsibilities of the Watch Supervisor:

(a) Instruct the operations personnel to return to normal operations.

(b) Make the appropriate entry in the MTC Log when the operations are returned to normal.

#### **i. Access to the ACP Vessel Information System**

In compliance with ACP and international security requirements, access to the Vessel Information system is regulated.

All requests to transit the Panama Canal or anchor in Canal waters carry implicit authorization for the ACP to disclose information regarding the vessel and its estimated time of arrival (ETA) to those entities duly registered with the ACP to provide services to said vessels.

The Vessel Information system is only available, with the limitations and restrictions established in the contract, and based on the nature of the activity performed, to the following:

- Shipping agencies registered with the ACP;
- Port terminals located within or adjacent to Panama Canal waters;
- Government entities with maritime or protection responsibilities;
- Banks recognized and approved by the ACP as guarantors for tolls and marine services.

Access to vessel's arrival information, with the limitations and restrictions established by the ACP, will be available to:

- Established entities providing services to vessels in Panama Canal waters;
- Established entities domiciled in the Republic of Panama providing legal services within the realm of maritime transportation and commerce.

Authorization to access the EVTMS requires signing a contract with the ACP wherein the terms and conditions required of the subscriber are defined. This contract includes the established tariff, as well as confidentiality restrictions regarding the use of information obtained through this system. Non-compliance with the terms and conditions of this contract, including non-payment of the tariff in a timely manner, may result in the suspension of access to this service.

Information regarding the documentation required to obtain access to the vessel information system is stated in the attachment. Requests for access may be submitted electronically to [customerservice@pancanal.com](mailto:customerservice@pancanal.com)

## 10.3 Admeasurement

### a. Organization and Responsibilities

The Admeasurement Unit is responsible for ascertaining the correct Panama Canal Toll Basis, which consist of the following: the PC/UMS Net Tonnage, Total TEU Allowance (TTA), Cargo Cubic Capacity (CCC), the maximum passenger capacity (PAX-ITC), Summer Deadweight Tonnage (DWT) and Maximum Displacement of vessels transiting the Panama Canal; boarding and clearing of vessels for medical surveillance and deck and navigational equipment; gathering information for the Data Warehouse; and, generating billing invoices for transits and other marine services. The Admeasurement Unit consists of three sections: Administrative, Admeasurement and Boarding, and Billing Office. Their major responsibilities are as follows:

(1) *Administrative Office*: Includes the Admeasurement Unit Supervisor, member of the Board of Admeasurement, which is the governing body for interpreting the Rules of Admeasurement and Maritime Tariff. It is also responsible for the overall operation of the unit, the issuance of ACP/TOLL BASIS Certificate, quality control, timekeeping, and personnel administration (telephone 272-4567).

(2) *Admeasurement and Boarding Office*: Is responsible for establishing the official ACP/TOLL BASIS of vessels transiting the Canal; the boarding and clearing of vessels including, but not limited to, the performance of: Medical surveillance, safety inspection, deck and navigational equipment inspection, generation of the information required for billing purposes,, and the collection of a wide spectrum of information on the vessels and their cargoes for historical use as well as input into the Data Warehouse (telephone 272-4570).

(3) *Billing Office*: Is responsible for revising all tolls and miscellaneous marine services to confirm its accuracy. Is responsible of revising and generating charges for the

following services generated through the Customer Service Management System: Port Pilotage, Channel Fee, Extraordinary Tug assistance and Special Pilotage Service. This office is also in charge of the generation of correction invoices, when necessary (telephone 272-4573) and the communication with the clients in regards to the invoices generated.

**b. *Vessels to be Measured***

(1) For the purpose of admeasurement, the vessels transiting the Canal shall present the ITC 69 or a substitute document deemed acceptable by the Authority, based on a system substantially similar to the one adopted by the aforementioned agreement. In addition, these same vessels shall provide plans, classification certificates and documents with information stating the Total Volume of the vessel, DWT, Cargo Cubic Capacity, the Passenger Capacity or documentation to determine the tolls basis figure s through mathematical calculations.

(2) Full Container vessels shall provide the Cargo Securing Manual, the General Arrangement plan, or any official document or plan which shall indicate the maximum container carrying capacities, above and below deck, as determined in Article 2 of the Regulation for the Admeasurement of vessels.

(3) Vessels which toll basis is determined on fully loaded displacement must present official documentation containing the fully loaded displacement figure in metric tons. The Authority reserves the right to calculate this figure if required.

Passenger vessels, in addition to the previously mentioned requirement, shall provide the Passenger Ship Safety Certificate or a document accepted by the Authority where the maximum berth capacity is determined. In the event that these documents do not meet the accuracy guidelines acceptable by the Authority, the alternate method of admeasurement set forth in the Regulation for the Admeasurement of Vessels shall be followed.

The chemical tanker shall present, in addition, the International Certificate of Fitness for the Carriage of Dangerous Chemical in Bulk or the Certificate of Fitness for the Carriage of Dangerous Chemical in Bulk, as appropriate, to determine the type of chemical tanker (1, 2, 3 or the combination that may arise).

(4) Warships, dredges, floating dry docks, vessels qualifying for minimum fixed fees based either on length overall or their corresponding Maximum Displacement tonnage, are exempted from the requirements of presenting the documents mentioned in b (1).

(5) Vessels that fail to provide the documentation required in the previous paragraphs and those that after submitting the documentation do not meet the accuracy standards acceptable to the Authority, shall be subject to inspection by the Authority to determine its **V**, pursuant to the PC/UMS Net Tonnage, m3 (Cargo Cubic Capacity), DWT, PAX, or Total TEU Allowance, as set forth in this regulation.

The Authority shall establish **V** to calculate the PC/UMS Net Tonnage; further, the



Authority shall establish the values of TEU allowance below deck and TEU allowance above-deck, as may be applicable. For passenger vessels, the Authority shall establish **V** to be used to calculate the PC/UMS Net Tonnage, the maximum passenger capacity (PAX- ITC) and the PC/UMS to PAX-ITC ratio. The Authority shall determine the DWT for the Dry Bulk vessels and the m<sup>3</sup> for gas carriers.

In calculating the PC/UMS Net Tonnage, TEU allowance below deck and TEU allowance above deck, the maximum passenger capacity (PAX-ITC), and the PC/UMS to PAX-ITC ratio, DWT, m<sup>3</sup> and the maximum displacement, the Authority may request and use complementary vessel information. Notwithstanding the above, calculations may be adjusted based on inspections for the accuracy required by the Authority.

If the requested documentation is not provided or does not comply with the precision required by the Authority, the user shall accept the figures resulting from the calculation by the Authority which, in its judgment, reflects its measurements, as may be applicable.

**c. Official authorized to Measure Vessels and Issue Tonnage Certificates**

The admeasurement of vessels shall be calculated by the Authority's specialized personnel, or by agents authorized by it. Each vessel shall present to the Authority a complete set of plans, the total volume breakdown and calculation sheets, with the dimensions that served as the basis for obtaining its ITC 69 or its equivalent, and a copy of same.

**d. Rates of Tolls**

(1) Article 18.3 of the Panama Canal Authority Organic Law grants the Board of Directors the authority to set tolls, rates, and fees for the use of the Canal and related services, subject to final approval by the Cabinet Council.

(2) *Prescription of measurement rules and tolls:* The Authority may prescribe and, from time to time, change the tolls that shall be levied for the use of the Canal.

(3) The Authority shall give notice of proposed changes in basic rules of measurement and of changes in rates of tolls and will conduct a period of public hearings.

(4) Changes in rates of toll shall be subject to, and shall take effect upon, the approval of the Panama Canal Authority Board of Directors, with the approval of the Cabinet Council and its publication on the ACP Registry.

(5) *Bases of Tolls.* Tolls on merchant vessels, military transports, tankers, hospital ships, supply ships, and yachts shall be based as determined in accordance with the Rules for the Measurement of Vessels for the Panama Canal, and tolls on other floating craft shall be based on displacement tonnage. The tolls on vessels in ballast without passengers or cargo may be less than the tolls for vessels with passengers or cargo.



**e. Billing Office**

(1) One of its main responsibilities is to perform daily internal audits to verify toll charges and other marine services (OMS) offered to all vessels transiting the Canal, both north and south bound. This also includes verifying all services offered to local call vessels. For first instance, these audits are performed, but not limited to, a period of time between 0700 and 0900 every day to assure accurate billing.

(2) After verifying charges, the Billing Office coordinates interface process to retrieve charges to be billed from (VAIS) Vessel's Admeasurement and Inspection System to CSMS. This process allows all verified charges to go to Oracle Accounting System which generates daily tolls and OMS invoices.

(3) It is also responsible for generating charges for transiting and non-transiting vessels for services rendered by the Authority. These services include: extraordinary tug assistance, port pilotage, channel fee, differences for booking substitutions, special pilotage service for harbor and transit.

If authorized by service owners, the Billing Office may generate any charges that because of internal system inconveniences, the correspondent service unit is not able to generate.

(4) Coordinates and performs tolls and OMS invoice correction process when necessary.

(5) Prepares special reports or projects and coordinates internal audits by the Authority.

(6) Provides operating personnel with necessary and accurate data to execute their functions.

**f. Maritime Communicable Disease Surveillance**

(1) Introduction: The purpose and function of surveillance is the prevention of entry and spreading into the Canal and adjacent areas of:

(a) Human communicable diseases, especially cholera, plague, and yellow fever;

(b) Certain animal diseases; and

(c) The causative agents, hosts, and vectors of these diseases that include human carriers, rats, vermin, insects, parasites, and anthropoids.

(2) Measures in Transit: The following general provisions described must be taken in transit with respect to vessels destined to enter Canal waters:

(a) The ship's master or officer shall make daily sanitary inspection of vessel. Corrective measures shall be taken if evidence of vermin, rodents, or unsanitary condition is found.

(b) An official entry should be made in the official record of any unsanitary conditions and corrective actions taken.

(c) Vessel shall send report of disease or deaths aboard to the ACP and Sanidad Marítima Internacional thru the Maritime Portal.

(3) *Requirements upon Arrival at the Panama Canal:* The boarding official sees that vessels arriving at the Canal area comply with the following requirements before they are issued clearances and are permitted to continue about their business with the Authority:

- (a) Physical requirements;
- (b) Fly the quarantine flag until cleared (if radio pratique is not granted)
- (c) Prepare and present the necessary papers and forms need to validate its transit condition. Remain physically isolated from any person who is not authorized to board;
- (d) Remain in the prescribed anchorage until cleared;
- (e) Vessel must be free of contact with any port infected with plague, yellow fever, or cholera;
- (f) Vessel must be free of any communicable disease and any death occurring from a communicable disease prior to being cleared;
- (g) Vessels must have adequate rodent control and valid Ship Sanitation Control Exemption Certificate/Ship Sanitation Control Certificate SSCEC/SSCC;
- (h) Vessels must not have on board any veterinary quarantine item; and
- (i) Vessels must not have on board any veterinary quarantine item.

Table I, on the next page, describes actions to be taken by the boarding official when exceptions to surveillance requirements are noted.

<b>ACTION TAKEN WHEN EXCEPTIONS TO MEDICAL SURVEILLANCE REQUIREMENTS ARE NOTED ABOARD ARRIVING VESSELS</b>	
<b>EXCEPTION NOTED</b>	<b>BOARDING OFFICER ACTION</b>
1. Physical requirements.	Advise shipmaster to comply.
2. Previous port has been reported as infected.	(a) All or part of surveillance to be done by Boarding Officer. Notify Sanidad Marítima Internacional Office.
3. Illness present or death due to quarantine disease.	(b) Without ship surgeon hold for Panama Maritime Authority to clear; with surgeon, advice Sanidad Marítima Internacional Office.
4. Invalid or absent Ship Sanitation Control Exemption Certificate/Ship Sanitation Control Certificate SSCEC/SSCC.	Advise Master no renews SSCEC, so indicate on Ship Information and Quarantine Declaration (SIQD), and notify MTC.
5. Veterinary exceptions  Hoof & Mouth disease; i.e., “restricted” meat source.  Live animals from Hoof & Mouth infected countries.  Dogs and cats.	Direct Master’s attention to “Shipmaster’s Warning Notice.” If docking, alert Marine Traffic Control; if in transit, no action taken.  Susceptible animals; require veterinary inspection before transit; never to dock.  Non-susceptible: transiting vessels, no action; docking vessels, warn about fodder, etc.; unloading animals require vet surveillance.  Hold on board (handled by Panama).
6. Inadmissible items.	(a) Boarding officer instructs Master concerning inadmissible cargo and alerts vet or Sanidad Marítima Internacional Office.

**TABLE I – Boarding Officer Surveillance Actions**

(4) Sanitary Inspections. Rodent and Vermin Control:

(a) *Rodent and vermin* are recognized as serious destructive agents and carriers of diseases. The control of vermin and rats is essential for health and hygiene.

(b) Ship Sanitation Control Exemption Certificate/Ship Sanitation Control Certificate SSCEC/SSCC: All vessels arriving at the Canal area are required to possess a valid SSCEC/SSCC. For either of these to be valid, its date of issue must be within six months of arrival. Certificates that are more than six months old but less than seven months old may be accepted at the discretion of the Panama Canal Boarding Officer, if the vessel exhibits good sanitation and is en route to a quarantine exempt area and is in transit through the Canal.

(c) *Inspection for SSCEC/SSCC*: Vessels arriving without valid certificates or with certificates that will expire before they arrive at the next immediate port hereafter should be inspected and a new certificate issued. The master should be referred to Panamanian authorities.

(d) *Sanitary inspections*: The sanitary inspection of a vessel is part of the surveillance inspection routine and is more inclusive and broader than the inspection for SSCEC/SSCC. It is used to determine whether a vessel has rodent, vermin, or insect infestation, or contaminated food or water, or any other unsanitary conditions that may create a health problem or disease potential. The boarding official notes the general sanitary status aboard vessel as he proceeds to clear the vessel. On vessels overtly dirty and unsanitary, he notes his findings on the General Declaration Form on the VAIShe for the attention of the Sanidad Marítima Internacional Office.

(e) *Veterinary Surveillance Control*: Table II, on the next page, describes actions to be taken by the boarding officer for veterinary surveillance control of life animals.

(f) *Garbage*: Garbage and waste cannot be indiscriminately dumped into the bay and waters of the Canal area. Garbage and waste generated from meat derived from animals from countries infected with hoof and mouth disease must be treated with special care and precaution. In general, shipmasters having this type of meat aboard are discouraged from discharging this garbage in the Canal Area. Under circumstances where such garbage must be discharged while the vessel is at the Canal area, the ship's agent must apply to the Sanidad Marítima Internacional Office.

VETERINARY SURVEILLANCE CONTROL OF LIVE ANIMALS			
TYPE OF ANIMAL	DISPOSITION	VESSEL ACTION	ACTION TAKEN BY BOARDING OFFICER
1. Dogs and cats	In transit	To dock or transit	Restricted animal as Held on Board (HOB)
	To disembark in Canal area		Restricted animal as HOB and notify MTC to alert APN.
2. Psittacine birds: i.e., parrots, amazons, parakeets, macaws, lovebirds, lories, etc.	In transit to disembark	To dock or transit	Record their presence and disposition on SIQD for statistical and epidemiological purposes.
3. Live poultry	In transit to disembark	To dock or transit	Record as HOB.
4. Swine & ruminants*			
(a) From countries free of Hoof and Mouth diseases (H & M);	Disembark or transit	To dock or transit	Note presence on SIQD; no other restrictions except proper disembark papers.
(b) From H & M infected countries, also hay, straw, cages, etc.	Transit NEVER TO DOCK	In transit NEVER DOCK	Hold vessel until inspected by Vet. Off. Then may transit only. <b>Notify MTC to alert Vet.</b> Never unloaded or discharged into bay.
5. Horses, etc., also hay, straw, cages, fodder, etc.**	In transit	Transit	<b>Note presence as HOB.</b> From countries free H & M no restrictions.
	To Disembark	To Dock	From countries free of H& M From infected areas, require Vet.
*Susceptible animals		**Non-susceptible animals	

TABLE II – Veterinary Surveillance Control of Live Animals

(5) Inadmissible and Restricted Items: Table III, below, lists items and products that are either inadmissible or under restrictive importation to the Canal area.

<b>INADMISSIBLE AND RESTRICTED ITEMS</b>	
<b>ITEM, ARTICLE, OR PRODUCT</b>	<b>IMPORTATION PROHIBITIVE OR PERMISSIVE RESTRICTION</b>
1. Live Animals	Veterinary surveillance control of live animals
2. Animal products from H & M infected countries:  Meat (cooked or cured) not canned.  Organs, glands, extract, secretions, blood (fresh, chilled or frozen), hides (fresh or salted only), raw wool, hair, bones, horns, feet, bone meal, meat flour, fertilizer, glue stock and biological products for veterinary use and study.  Straw or hay used as packing fodder of live animals, cages, etc., where contact made with infected animals.  Garbage generated from such means	Require special vet clearance and permit.  PROHIBITED  PROHIBITED  Special clearance from veterinary needed.
3. Biological agents and other specimen:  Etiologic agents or insects.  Animals or plant vectors of human communicable diseases.  Exotic Plants, living insects, or animals capable of being a disease vector.	Importation permitted by special authorization from proper Panamanian authorities.  Do.  Do.

**TABLE III** – Inadmissible and Restricted Items



(6) *Pratiques*:

(a) "*Pratique*" is a term of French origin that has come to be recognized in international health as referring to the lifting of quarantine restrictions. It is the end result of the boarding official's analysis and evaluation of the items of interest described in the preceding paragraphs and assigns to the vessel one of the authorized clearances:

- *Free pratique*: Free *pratique* is the clearance given vessels that have no restrictions or exceptions.

- *Radio pratique*: Radio *pratique*, not to be confused with nor misquoted as "free pratique" is a special quarantine privilege granted to certain qualified vessels. Request for radio pratique must be requested in the thru the Maritime Portal by the shipmaster, either directly or through the local agent. The system, after an evaluation of the information requested, either grant or disapprove the request. If the radio pratique is granted, the vessel may enter the port without flying the quarantine flag and may conduct business with the agent and other personnel authorized to board the vessel, while awaiting the boarding official. The Authority boarding official will board the vessel in the anchorage, review the items of pertinent interest, and grant the vessel final clearance.

(b) Table IV, on the next page, summarizes the *pratique* granted under pertinent arriving requirements.

SUMMARY OF PRATIQUES GIVEN	
FINDINGS AT ARRIVAL; PERTINENT REQUIREMENTS	PRATIQUE
1. Physical requirements: “Q” flag; “Q” anchorage, proper papers	Hold in quarantine, until effected & cleared
2. Previous ports: (1) From NSQI Ports (2) From any other port	Free No pratique granted
3. Illness/death aboard: (1) None or not communicable (2) Any listed communicable disease	Free No pratique granted
6. Ship Sanitation Control Exemption Certificate /Ship Sanitation Control Certificate SSCEC/SSCC.: (1) Valid (2) Invalid or need inspection	Free No pratique granted
7. Veterinary restrictions: (1) H & M disease; meat, animals, straw, fodder, cages, etc. (2) Live animals aboard	No pratique granted
8. Inadmissible items	No pratique granted
<b>NOTES:</b> <ul style="list-style-type: none"> <li>• NSQI: No subject to quarantine inspection.</li> <li>• <i>Do not confuse "radio pratique" with either free pratique The expression actually means temporary clearance via radio and can ultimately be either free or the vessel could be in hold for quarantine</i></li> </ul>	

TABLE IV - Summary of Pratiques Given

## 10.4 Pilots and Pilotage

### a. *Organization and Responsibility*

(1) *Pilot Section*: Is responsible for managing and supervising the Authority transit pilot force and supporting units for safe and efficient performance; for the proper application of rules, regulations, and directives, and the negotiated labor agreement, and for maintaining a highly-qualified, professional, and well-trained pilot force.

(a) *Pilot Force*: Pilots assigned to a vessel, shall have control of the navigation and movement of such vessel. The control pilot is responsible for the safe maneuver of such vessel while on board and in Canal operating waters. Pilots are also responsible for complying with navigation rules and directives as applicable. Whenever a pilot discovers a vessel's deviations from regulations pertaining to the safe navigation through the Canal and which require correction or the securing of a waiver or release, he will report this fact to the MTC Watch Supervisor for action by the Canal Operations Captain or Canal Port Captain on duty, who after consultation with the control pilot, will determine if the vessel will or will not continue the transit, may instruct the pilot to attempt to obtain a signed release or any other appropriate measure.

(b) *Pilot Rotation and Scheduling Unit*: Is responsible for maintaining pilots in proper rotation and ensuring sufficient pilots are available for transiting vessels; pilot timekeeping and bonus calculations; timely and effective coordination of land transportation for the pilot force, the upkeep of the Pilot Reporting Stations.

(c) *Administrative Unit*: Is responsible for providing full range administrative assistance to the Pilot Section Manager in areas pertaining to personnel management, disciplinary actions, administrative services, and labor relations.

(2) *SIDMAR*: Is responsible for assigning trainees enrolled in the Pilot Understudy (PUP) and Pilot-in-Training (PIT) programs to observation, training, and evaluation transits on board vessels transiting the Canal, under the control of a Canal pilot or the unit's training officer. The Maritime Training Unit has considerable latitude in making assignments that will have the greatest value for a particular trainee. Among others, the following rules guide all pilot trainees:

(a) Throughout the duration of training, trainees are administratively under the supervision and direction of the Maritime Training Unit.

(b) Once on duty in the Canal, is under the direct supervision of the pilot to whom assigned.

(c) Will follow the Authority and Pilot Section rules and regulations, as applicable.

(d) Will conduct themselves in a professional manner.

(3) *The Maritime Traffic Control Unit*: Is responsible for assigning work to pilots and notifying them of their assignment; keeping pilot-assignment related information current

in the EVTMS (Enhanced Vessel Traffic Management System) and notifying the Pilot Rotation and Scheduling Unit when the information is valid for pilot rotation purposes; providing Pilot Rotation and Scheduling with pilot assignment history files via computer or in case of computer failure using manual procedures; assigning and keeping track of trans-isthmian transportation; and providing the Pilot Section with computer support.

(4) *Transit Operations Division*: Is responsible for the immediate direction of daily maritime operations, maritime emergency reaction and recovery, supervision and enforcement of rules and regulations governing the navigation of the Canal. The Division is delegated full authority to coordinate activities and provide operation supervision over all personnel, including the active duty pilot force engaged in daily transit operation and harbor movements in the ports of Balboa and Cristobal. All differences in interpretation of rules and regulations or any departure from prescribed operating procedures must be referred to the Canal Operations Captain or his designee for resolution.

**b. Pilot Assignment Procedures**

(1) *Pilot Force*: Standard operating procedures are followed when assigning work to pilots. These procedures stem from management's right to assign work to employees. The complexity of the Canal operation does not permit rigid application of these procedures on a day-to-day basis, but the intent is to avoid deviations to the extent practicable. Details of the procedures are outlined in the current labor agreement between the Authority and the Panama Canal Pilots Branch.

(2) *Pilot Trainees*:

(a) *PUPs and PITs*: Trainees are assigned to transits on a regular basis, following a schedule specifically designed to provide the trainees with as much exposure as possible to the different types of vessels transiting the Canal and specific marine operations involving vessels that require special treatment. Depending on level of progression and the control pilot's determination, the trainee will be allowed to, under close supervision, assume control of the vessel.

(b) *225' Limited Pilots*: At this level, trainees are qualified to pilot vessels up to 225' in length. However, the number of assignments per trainee as control pilot of such vessels will be closely monitored by this Unit and kept at a minimum level. Assignments will follow a schedule prepared by Maritime Training Unit.

(c) *400' Limited Pilots*: Upon reaching this level, the trainees' assignments will follow the Pilot Rotation rules; they will be assigned a duty-time from "the board." This phase includes various size limitation levels, i.e., 460', 500' and 526'; after meeting the program requirements for this phase, the trainee will be licensed as a Qualified Pilot and follows the rules and regulations of the Pilot Section and the Agreement between the Authority and the Pilot Section, as applicable.

### c. *Pilot Timekeeping and Rotation*

(1) *Pilot Rotation List:* Pilots shall be assigned to duty-time based on the Pilot Rotation List. The Pilot Rotation List shows all Pilots available to work during the 31-hour period beginning at 0001 of one day and ending at 0700 the following day, and it is used to assign a duty time to pilots on a given day. Pilots shall be notified of this duty time during a notification period, which extends from 0530 to 0830 hours everyday. A pilot who has been given a duty time and whose services will not be required may be released.

(2) *Out-of-Rotation Assignment Error:* Whenever an out-of-rotation assignment error is perceived by a pilot, the error will be communicated to pilot assignment personnel. The pilot shall avoid getting into a lengthy discussion and shall proceed with his assignment. He shall also submit a follow-up report to the Manager for information and action.

(3) *Administrative or Non-Piloting Duties:* Pilots may be assigned to administrative or non-piloting duties for short periods, as determined by the needs of the Authority. Similarly, whenever the Authority determines that it is necessary to increase pilot availability, temporary special measures may be taken. The Authority will use prudence in implementing special measures and will put into effect only those measures necessary to obtain the additional pilot availability needed.

(4) *Pilot Timekeeping:* Pilot timekeeping follows the basic rules for first-40-hour employees. However, the many variations and exceptions, which characterize the pilots' work plans and work schedules, make their timekeeping unique and unpredictable.

(5) *Timekeeping Unit:* The functions of the Timekeeping Unit also encompass the calculations of completion-bonus payments. A completion bonus is accrued when an assignment is completed to the satisfaction of management, without any pilot misconduct or pilot-contributed damage or injury.

### d. *Pilot Work Plans*

Pilots are first-40-hours employees and have the option of working under the *Regular Work Plan* or the *5-3 Work Plan*. Pilots on the Regular Work Plan are entitled to one non-work day per week. The 5-3 Work Plan is open only to pilots in grades CP-4/01 and above. Pilots with a leave balance in excess of 760 hours are not permitted to enter the 5-3 Work Plan. Pilots on the optional 5-3 Work Plan have a special schedule that consists of 5 weeks of work with 3 weeks of special leave in varying combinations and are assigned by management to specific work cycles. On the average, this results in approximately 32.1 weeks in a duty status per year. The 5-3 pilots are not entitled to the weekly non-work day and earn two (2) hours of leave per pay period.

**e. *Pilot Reporting and Waiting Stations/Pilot Transportation***

The Pilot Section administers two Pilot Reporting Stations. On the Pacific side, pilots report to duty at the station located in Diablo. On the Atlantic Side, pilots report to duty at the station located in MTD Cristobal, Mini-Room. The Pilot Reporting Station in Diablo is manned 24 hours a day by pilot support clerks. These clerks coordinate a network of jitneys that take pilots from and to their duty station to a point of embarkation/debarkation, i.e., Cristobal Boathouse Pilot Waiting Station, Davis Landing Pilot Waiting Station, Gamboa Pilot Waiting Station, Gatun Pilot Waiting Station, Paraiso Landing, Miraflores Lake Landing, and Mine Dock Pilot Waiting Station. Official jitneys are used primarily to transport pilots; however, time and resources permitting, the clerks must also coordinate the movement of admeasurers, boarding officers and line handlers.

**f. *Entry into Diablo Operations Area***

(1) *Purpose:* This paragraph concerns with entry of pilots into the Transit Operations Division, Diablo Operations Area. All employees entering this area will comply with these guidelines.

(2) *Requirements for Entrance and Departure:* All vehicles, private or commercial, must stop at the main gate for identification purposes. Upon request of the Protection and Emergency Response Division security guard, all occupants of a vehicle must show their ID cards to the security guard. Should an unusual situation arise, contact the Pilot Section Manager or Canal Operations Captain for proper assistance.

(3) *Identification:* In accordance with Chapter 3 of the ACP Canal Protection and Surveillance Regulations, the Security and Emergency Response Division is responsible for the physical protection of all Authority areas or installations, and shall ensure that persons entering these areas display proper identification and actually have official business within the areas. Accordingly, individuals who have a need for access to these areas shall be required to present a valid identification card. Failure to comply with the provisions of the regulation may subject an individual to disciplinary action.

**g. *Unexpected or Additional Tug Assistance for Transiting Vessels***

When charging for the services, ACP has to provide the customer with the reasons why an unscheduled tug service was provided. Therefore, in order to maintain good customer relations, at the time a request is made for tug services that are not expected or planned for transiting, docking or undocking vessels, pilots will state the reasons for this request and a log entry made in the Daily Operations Log.



#### **h. Familiarization Training/Observation Transits**

(1) Qualified pilots who feel they have a particular need for familiarization training on specific types of assignments, i.e., bow jobs, multi-pilot vessels, dry-docking, tying up at Gamboa Mooring, or other areas of piloting will be responsible for the following:

(a) Contact the Pilot Section Manager or the Pilot Rotation and Scheduling Unit Manager, to arrange the scheduling of this type of assignment.

(b) Make the request in a timely manner and prior to advancing to the next higher step.

(2) To avoid situations where CP-4, Step 3 pilots may find themselves refusing an assignment because they do not feel qualified to do a particular job, it is important that CP-4, Step 2 pilots take advantage of this arrangement. Such situations when arise do not favor the pilot and may also disrupt the scheduling process.

(3) Pilots are expected to transit vessels in accordance with their step qualification requirements. It is assumed that if a pilot has not made prior arrangements for scheduling of an observation assignment, he is qualified to transit vessels within his qualification requirements and is expected to accept assignments accordingly.

#### **i. Pilot Transit Radios and Loaner Radios**

(1) *Responsibilities:* Pilots are responsible for the transit radios assigned to them by the Pilot Section Manager. Accordingly, the procedures described below will be followed.

(2) *Radios for Repair/Loaner Radios:* Any pilot desiring to turn in his personally assigned radio for repairs may do so by bringing the radio to either the Cristobal Boathouse or the Pilot Reporting Station in Diablo where loaner radios are available. Pilots must turn in their radio before any replacement/loaner radio is issued. If the pilot does not have his radio available for turn-in, permission must first be obtained from the Pilot Section Manager, or his designated representative, before another radio may be signed out. The Pilot Section Manager will notify when the radio is ready and where it can be picked up (Cristobal Boathouse or Diablo Pilot Reporting Station). Due to the shortage of loaner radios, it is required that repaired radios are picked up as soon as possible. Pilots must surrender the loaner radio at this time.

(3) *Cross-Bridge Radios:* On multiple-pilot ships, cross-bridge radios will be brought to the bridge by the Canal bosun for the use of the pilots. These radios shall also be used for communication between pilots and bosuns. Upon completion of the lockage, the assisting pilot(s) will return the radios to the bridge where the bosun will pick them up prior to his departure from the vessel. Assisting pilot(s) will ensure that radios are picked up by the bosun.

(4) *Capital Items:* Radios are expensive capital items of equipment and should be treated appropriately. Carelessness or willful misuse will be dealt with accordingly. A written statement will be required when a radio is lost or damaged.

(5) *Reporting to Duty:* The pilot radio is a tool of the trade. Pilots are expected to have their radios in their possession and in working order when they report to work.

#### **j. Harbor Duty Pilot**

(1) Unless otherwise directed by MTC, a pilot who is assigned to harbor duty is required to report to the appropriate duty station at the start of the harbor watch. The appropriate duty station for the Cristobal Harbor watch is the Cristobal Boathouse and for the Balboa Harbor watch is the Diablo Pilot Reporting Station.

(2) When a pilot is assigned to harbor duty he must be at his duty station when not involved in an assigned task. Meals are to be taken when work permits and shall be coordinated with MTC.

#### **k. Boarding and Debarkation Sites**

(1) Pilots will normally board and debark vessels inside the Cristobal Breakwater, but may be assigned to board or debark outside the Breakwater when operational needs so require.

(2) Pilots normally board and debark in the Pacific, Gatun and Atlantic Inner Anchorages, Balboa Reach, Gatun Approach, Miraflores Lake, and the reaches of Paraiso, Cucaracha, Chagres Crossing, Gamboa and Gatun. Special circumstances may require Pilots to board and debark in other Canal operating areas.

(3) Pilots are not required to board or debark when there is reasonable cause to believe that doing so will result in personal injury. In this case, he shall notify MTC and coordinate with the Transit Operations Division an alternate safe way to board or debark.

#### **l. Pilots in Managerial Positions**

(1) In order to keep their piloting skills, Canal Port Captains and other pilots in managerial positions may be assigned as control pilots during their non-work periods or may board transiting vessels either as observers or to assume control of vessels for part of a transit in a supernumerary condition.

(2) When boarding a vessel in a supernumerary condition it will be the management pilot's option as to whether or not he wishes to assume the duties of the control pilot. It will also be his option when he wishes to relinquish control of the vessel to the regularly assigned transit pilot. The practice of good seamanship will serve as a guideline as to when the control of a vessel is assumed or relinquished.

(3) Whenever a management pilot boards a vessel within the scope of this directive, the regularly assigned pilot's rotation and entitlement to assignment completion bonus credit will not be affected.

(4) When assigned as control pilots during their non-work periods, the management pilot will be specially assigned.

(5) When the Management Pilot assumes control of a vessel, he will be acting in accordance with ACP Navigation Regulations, Article 92, which states: "The pilot assigned to a vessel shall have control of the navigation and movement of such vessel."

**m. *Compulsory Pilotage Exemption for Transiting Handlines of under 65 feet (20 m) in Length***

(1) All small craft under 65 feet (20 m) in length will be inspected in order to determine if they are ready for a safe transit, if the officers and crew have the necessary experience and ability to make a safe transit, and if they are susceptible to transiting with qualified Panama Canal employee assigned as transit advisor to provide comprehensive local knowledge of the Canal operating area and procedures for an efficient and safe transit.

(2) SIDMAR shall assign as transit advisor a qualified Panama Canal employee equipped with a portable transit radio to each small craft, upon notification by the Maritime Traffic Control Unit of the planned transit.

(3) Pilots may be assigned to small craft less than 65 feet (20 m) in length if this is considered necessary for training and orientation, or if the Canal Operations Captain considers such an assignment necessary because of configuration or other unusual factors in a specific craft, or due to operational needs.

(4) The Maritime Traffic Control Unit Manager will schedule small craft transits without pilots in the same manner that ACP small craft are now scheduled. They shall be dispatched with a larger vessel carrying a pilot and they shall lock through with that vessel. The designation of the larger vessel may be changed at each lock, but the pilot of each such vessel shall be notified of the situation. (See Section 5 – Handline Vessels)

**n. *Accident Notification Procedure***

(1) Pilots are responsible for notifying MTC on a timely basis any accident or incident that could have resulted in damage to any ACP structure, plant or equipment; death or injury to personnel; or damage to a vessel, regardless of the cause and who is at fault. MTC will notify the Canal Port Captain and the agent.

- (2) If necessary or requested by the master, a CPC will board the vessel in the company of a shipping agency representative, when available. The damage will be assessed and the interested parties (OP and vessel representatives) will decide whether to request a formal investigation by the Board of Inspectors.
- (3) In the event the master decides to decline an investigation and goes to sea, the CPC will advise him of his rights to an investigation and invite him to sign a Release Form 4327 "Notice of Effect of Departure Without Investigation."
- (4) The master will also be advised that his rights will be forfeited if the vessel should depart Canal waters.
- (5) Any accident involving death or resulting in a personal injury that requires admission of a person to a hospital as a bed patient will be investigated.
- (6) Pilots will be encouraged to report "near misses" as an effective avenue to identify and resolve potential problems.

o. *Written Pilot Reports and Pilots Statements*

The submission of *Pilots Reports* to the Canal Operations Captain and *Pilots Statements* to the Pilot Section Manager are part of the duties of the Canal pilots. These are considered important documents that should be submitted in a timely manner.

(1) A *Pilot Report* of any accident/incident signed by the control pilot must be submitted to the COC within 36-hours of termination of duty assignment in which the accident/incident took place. It shall include the following:

- (a) A factual description of what actually occurred;
- (b) Date, approximate time, and location of the incident;
- (c) Weather conditions;
- (d) A report on vessel's personnel and equipment performance at the time of the incident;
- (e) A report on ACP personnel and support equipment performance at the time of the incident; and,
- (f) A report on any other consideration relevant to the incident.

(2) *Pilots Statements* ought to be submitted as soon as possible when requested by the Pilot Section Manager, so that a prompt investigation can be made of the accident/incident and proper action taken when necessary. They should be similar to the above, including any additional information requested by the Manager.

**p. *Pilot Statement Requested by Vessel Master***

- (1) A pilot requested by a vessel master to sign a statement to concede Authority liability for damage sustained by a vessel as a consequence of an incident in the waterway, shall refuse to sign as there is no valid basis for a vessel to demand such statement.
- (2) In case that this course proves not feasible, the pilot should add to the document words to the effect that the paper is "accepted for receipt only" or "received for information only."
- (3) These documents are of no probative value whatever they say; however, by signing in this manner the pilot may avoid confrontation with the crew of the vessel and obviate the need to testify later that he did not intend what was contained in the signed statement. The pilot shall not in any way endorse the vessel's version of the facts.