

**AUTORIDAD DEL CANAL DE PANAMÁ**  
**EXECUTIVE VICE PRESIDENCY FOR OPERATIONS**

**ADVISORY TO SHIPPING No. A-18-2014**

August 15, 2014

**TO :** All Shipping Agents, Owners, and Operators  
**SUBJECT:** 100 YEARS OF CONTINUOUS SERVICE TO WORLD SHIPPING

On the 100<sup>th</sup> anniversary of the opening of the Panama Canal to the service of world maritime commerce, I would like to acknowledge all those who have supported our waterway, permitting us to move your cargo from one end of the world to the other.

The success of the Panama Canal's 100 years is the direct result of the confidence that the maritime community has placed in the administrators of this waterway, 86 years under the tutelage of the United States, and under the direction of Panama since 2000.

This 100<sup>th</sup> anniversary finds us at a juncture to not only celebrate the past, but look with great expectation to the future, as we near the completion of the greatest undertaking in Panama's history, the Canal Expansion Project. The Administrator of the Panama Canal recently signed an agreement with *Grupo Unidos por el Canal* that will guarantee this monumental project's completion by December 2015.

We assure you that the great sense of responsibility that has characterized the management of the Panama Canal for the past 100 years is not declining, contrary to statements in some international media. More than ever, the Canal is committed to continue providing a reliable, safe and expeditious service, while preparing for the future by investing in its most valuable asset, its workforce.

The Canal currently employs over 10,000 workers who are highly regarded within the Panamanian labor market. Canal workers average 17.4 years of service, while 59 percent of the total workforce has between 11 to 41 years of service. This reflects the high level of stability that Canal workers enjoy; specifically, with an attrition rate of 1.9 percent in 2012. In addition to being covered by the Social Security system, our workers enjoy benefits such as life, accident, and hospitalization insurance; personal savings plans; access to counseling services and to physical therapy even for non-work related injuries, as well as 35.5 days of paid vacation per year. This makes the Panama Canal Authority (ACP), not only a major source of employment for Panama, but also one of the best companies to work for in the country as shown in the ACP employment database, which presently contains 75,582 applicants.

Training is a matter of utmost importance for the ACP. Over \$17 million dollars were invested last fiscal year in training to ensure the preparedness and capacity of our workforce. Transit simulators were upgraded with new software and ship models to provide the best training to our pilots and tugboat captains. In the very near future, a Neo-Panamax vessel will be chartered as a tool for training at the new locks. It is noteworthy to mention that 219 of the 289 Canal pilots have already experienced maneuvering these types of vessels in Panamanian ports.

**AUTORIDAD DEL CANAL DE PANAMÁ**  
**OPERATIONS DEPARTMENT**

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In 2000, the ACP tug fleet had a total of 20 tugs with an average bollard pull of 30 tons, dedicated to transit operations that ranged from three to 32 years of service. Since then, in order to increase and modernize our fleet, four tugs were purchased in 2002, eight in 2008 and 27 since 2010. We have progressively retired the oldest tugs from our fleet and, by the end of this year, will have a total of 47 tugs with an average of seven years of service, of which half have a bollard pull of 65 to 80 tons.

All of the above-mentioned efforts have contributed in making the Canal workforce deeply proud to work for a company that values their efforts and maintains open communication channels to solve and prevent any conflicts that may arise. It is through a proud and committed workforce that the Panama Canal is able to meet the challenges of the future and continue providing world class service to the maritime community beyond the 21st century.

**ORIGINAL SIGNED**

Esteban G. Sáenz  
Executive Vice President for Operations