

**AGREEMENT N° 40  
(of October 24, 2000)**

**“Whereby article 23 of the Regulations on Navigation  
in Panama Canal Waters is amended”**

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

**WHEREAS:**

The Board of Directors of the Panama Canal Authority approved the Regulations on Navigation in Panama Canal Waters through Agreement No. 13 of June 3, 1999.

The Canal Administration has received complaints from the Canal users, regarding the literal application of article 23 of the above mentioned regulations, in relation to the transit reservation system. They base their complaints on the fact that, under these regulations, a vessel that does not comply with the arrival time specified in the regulations is penalized with cancellation of the reserved transit slot, without having the option of transiting on that same day, even if it were possible under certain circumstances.

In view of the foregoing, the Canal Administration considers it appropriate to amend these regulations, with the purpose of providing an alternative to those vessels that, not being able to comply with the arrival time, have arrived with sufficient time to be re-scheduled, without affecting another vessel, by paying an additional booking fee.

**AGREES:**

**ARTICLE ONE:** Article 23 of the Regulations on Navigation in Panama Canal Waters is modified as follows:

“Article 23: The Authority shall cancel the reserved transit slot and assess a penalty fee when a vessel incurs in any of the cases described in the Annex, except if acceptable proof of any of the exonerating circumstances established therein is submitted.

A vessel whose reserved transit slot is canceled may be re-scheduled for regular transit upon its arrival. However, in the case of the situations described in items 1 and 2 of the Annex, if the vessel has arrived with sufficient time to be re-scheduled for the same day, taking into consideration any transit restrictions it may have, and provided it does not affect another vessel’s scheduled transit, it may transit by paying an additional booking fee, assessed in accordance with the criteria established by the Authority.”

**ARTICLE TWO:** This Agreement shall become effective upon its approval.

Given in Panama, on October twenty-four, two thousand.

TO BE PUBLISHED AND ENFORCED

Ricardo Martinelli B.

Diógenes de la Rosa

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Minister for Canal Affairs

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Secretary