May 13, 2003

MR’S ADVISORY TO SHIPPING No. A-13-2003

TO : All Steamship Agents, Owners, and Operators


1. Statistical Summary:
   a. Transit Pilot Force ................................................................. 279
   b. Pilots in Training ................................................................. 0
   c. Tugs .................................................................................. 24
   d. Locomotives ...................................................................... 100
   e. Traffic Statistics (Preliminary):

      Arrivals                          34.2   45.0   21.0
      Oceangoing Transits              34.4   40.0   23.0
      Canal Waters Time (Hrs.)         18.4   22.8   11.8
      In-Transit Time (Hrs.)           9.4    11.5   6.8
      Total                           470    271   199

      Booked Transits

2. Scheduled Locks Outages

<table>
<thead>
<tr>
<th>Dates</th>
<th>No. of Days</th>
<th>Miraflores</th>
<th>Pedro Miguel</th>
<th>Gatun</th>
<th>Daily Transit Capacity</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun 2 - 12, 2003</td>
<td>11</td>
<td>Lane Outage</td>
<td></td>
<td></td>
<td>30 – 32</td>
<td>Confirmed</td>
</tr>
<tr>
<td>Jul 7 - 17, 2003</td>
<td>11</td>
<td>Lane Outage</td>
<td></td>
<td></td>
<td>30 – 32</td>
<td>Tentative</td>
</tr>
<tr>
<td>Aug 11 - 22, 2003</td>
<td>12</td>
<td>Lane Outage</td>
<td></td>
<td></td>
<td>30 – 32</td>
<td>Tentative</td>
</tr>
<tr>
<td>Sept 15 - 25, 2003</td>
<td>11</td>
<td>Lane Outage</td>
<td></td>
<td>Lane Outage</td>
<td>26 – 28</td>
<td>Tentative</td>
</tr>
</tbody>
</table>

Note: Whenever a set of locks requires a major outage of one of its two lanes for dry chamber inspection, miter gate repairs, tow track work or other major maintenance/improvement projects, advantage may be taken of this requirement to perform simultaneous single lane outages for additional maintenance at other locks.

Transit Capacity: The normal capacity of the Panama Canal is 38 vessel transits per day. This capacity is reduced during locks outages, as indicated in the above table. Consequently, vessels may experience delays in transiting. Normally, during these periods, the Panama Canal Vessel Transit Reservation System slots are fully utilized. Two-day lane outages have no significant impact on Canal vessel backlog.

3. See reverse for items of interest to the shipping community.
4. This advisory will be canceled for record purposes on May 31, 2003.

ORIGINAL SIGNED

Arcelio H. Hartley
Acting Maritime Operations Director

COPY OF ALL ADVISORIES ARE AVAILABLE IN THE PANAMA CANAL WEB PAGE AT WWW.PANCANAL.COM FOR ETAS OR DIRECT COMMUNICATION WITH OUR OFFICES: REFER TO NOTICE N-J-2003
ITEMS OF INTEREST FOR THE SHIPPING COMMUNITY

Canal Performance

In April 2003, oceangoing transits totaled 1032, or a daily average of 34.4. Transits by wide-beam vessels (30.48 meters/100 feet in beam and over) totaled 376, or 36.3 percent of all oceangoing transits. The average Canal Waters Time (CWT) was 18.4 hours.

PANAMA CANAL AUTHORITY ANNOUNCES SECOND QUARTER METRICS

Canal sets Safety Record of 172 consecutive days without Maritime Accidents, shattering previous mark from 1963.

Canal Waters Time (CWT) is also down, while Tonnage and Volume increased.

The Panama Canal Authority (ACP) announced second quarter operational metrics that indicate that the Canal is running safer and more efficient than ever. It logged in 172 days without an accident along the waterway - a remarkable accomplishment that shatters the previous record. In 1963, the Canal went 75 days without an accident. In addition, the ACP announced today that Canal overall tonnage and volume have increased. These results exceed projections, and are based on Canal operations from January through March of 2003.

The Canal improved Canal Waters Time, which is the average time it takes a vessel to navigate the Canal including time waiting for transit, was reduced from 23.5 hours during the second quarter (January through March 2002) to 21.1 hours during the second quarter of FY2003. This reflects a decrease of 2.4 hours.

In addition, Canal PC/UMS tonnage increased during the second quarter as compared to the previous year. Canal tonnage rose from 59.1 million PC/UMS in the second quarter of FY2002 to 63.2 million PC/UMS during the second quarter of FY2003, a 6.9 percent increase.

“We know from our customers that reliability, safety and timely service are critical. When we make the Canal safer and faster, the more reliably our customers get their goods to market. These numbers are truly a testament to hard-working employees of the ACP and their complete focus on operational safety and efficiency. The Canal is operating better than ever,” said Canal Administrator, Alberto Alemán Zubieta.

Recent Canal improvement and safety projects have received positive feedback from customers. During a recent visit to Panama, Captain Wei Jiafu, president/CEO of the China Ocean Shipping (Group) Company (COSCO), a major customer of the ACP, said, “The administrators of the Canal are doing an excellent job managing and operating this important waterway. The Canal’s modernization and improvement projects have enabled us [COSCO] to deliver and meet the demands of our customers by providing goods and products on time.”