October 18, 2004

MR’S ADVISORY TO SHIPPIING No. A-52-2004

TO: All Steamship Agents, Owners, and Operators

SUBJECT: Additional Information regarding Panama Canal Shipboard Oil Pollution Emergency Plan (PCSOPEP) Requirements and Tariffs

1. On June 4, 2004, the Panama Canal Authority (ACP) published Advisory to Shipping No. A-25-2004, regarding the implementation of the Panama Canal Shipboard Oil Pollution Emergency Plan (PCSOPEP). Subsequently, on October 11, 2004, Advisory No. A-50-2004 announced the PCSOPEP tariffs that will be assessed to cover the additional investments and expenditures required in order that the ACP be prepared to provide oil spill response services, as was recommended by the international shipping community. This Advisory is intended to clarify recurrent questions and issues raised by our customers.

2. The surcharges published in Advisory No. A-50-2004 for vessels carrying oil as cargo and having single side, single bottom or single hull, will not be applied when these vessels are transiting in ballast. Vessels in ballast will only be assessed the tariff corresponding to the tier classification of the vessel.

3. The ACP will offer PCSOPEP verification services free of charge. Therefore, notices regarding the verification of PCSOPEPs already submitted are being forwarded to plan writers or senders through electronic mail in order to avoid additional processing costs to our customers. However, the original PCSOPEP Notice of Acknowledgement document will be provided to the vessel at the first transit after January 1, 2005. We encourage plan writers to keep track of their plan submittals to ensure that they receive a response prior to the vessel’s transit, especially if the vessel is scheduled to transit close to the implementation date of January 1, 2005. Please note that lack of an acknowledgement by electronic mail may indicate that the ACP did not receive the plan. It is the responsibility of the plan writers to ensure receipt of such acknowledgement.

4. Through the Authorized Person (AP), the PCSOPEP establishes a formal liaison between the vessel and the ACP and the formal procedure for the arrangement of warranties in case of spills. In this process, the AP is able to consult with the ship owners or operators and expeditiously post a warranty satisfactory to the ACP for costs that may be incurred as a result of an oil spill. Additional benefits of this procedure include a quick release of the vessel and a reduction on transit disruptions. Nonetheless, an oil spill response by the ACP will not depend or be subject to the provisions of warranties, since our goal is to minimize the consequences of a spill. Protection of the environment is one of our top priorities.

ORIGINAL SIGNED

Arcelio H. Hartley
Acting Maritime Operations Director