



FOR IMMEDIATE RELEASE

Panama Canal Authority postpones planned price hike following calls from shipping industry

14 April 2021, Singapore - The Panama Canal Authority (ACP) has announced that it will postpone price increases on canal transit fees which were due to come into effect tomorrow.

The announcement follows a joint letter sent by the International Chamber of Shipping (ICS), Asian Shipowners' Association (ASA), and European Community Shipowners' Association (ECSA), expressing concerns over the speed of price increases that were expected to begin from 15 April 2021.

The proposed changes represent a minimum cost increase per transit reservation of US\$20,000 (up 57%) and a maximum cost increase of US\$58,500 (up 167%) will now start on 1 June 2021.

The letter, sent on 17 March 2021, expressed concerns over the "significant increase" of the fees and stated that the 15 April start-date given by the ACP was too short for the maritime industry and canal users to be able to adjust. ACP has linked the increased fees to changing supply and demand conditions for the service it offers.

Panama Canal is one of the world's busiest shipping routes; nearly 14,000 transits were made last year.

On 13 April 2021, the ACP announced the postponed date for the new booking tariffs. This change in the implementation date will provide the maritime industry more time to prepare for the adjustment to the new booking fees.

ICS Secretary General Guy Platten said, "We are reassured to see that ACP has responded to industry's calls to postpone its proposed transit reservation price increases until 1 June, giving industry time to fully prepare for these changes. The increases represent a significant rise in cost, especially considering the ongoing economic impact of the COVID-19 pandemic.

"We appreciate that the fee change is designed to adapt to changing supply and demand for the Panama Canal's service and we look forward to establishing a productive dialogue with the ACP to develop a long-term pricing strategy to provide industry with predictability on transit cost. We hope to be able to hold a virtual meeting with the ACP to discuss and gain further clarity on these issues."

The ASA Secretary General, Yuchi Sonoda noted, "ASA would like to express our gratitude to the ACP for taking consideration of the maritime industry and postpone its implementation dates from 15 April 2021 to 1 June 2021. ASA is appreciative that the ACP will continue to review on the voices of canal users in their future canal operations and managements, based on a higher economic stability and transparency."

Martin Dorsman, Secretary General of ECSA, said, “On behalf of the European shipowners, I welcome the decision of the ACP to postpone the application of the new booking fees. Especially in these times of high uncertainty, it is important for the shipping industry to be able to better prepare for these changes. We appreciated the good cooperation with the ACP and look forward to a continued dialogue”

This announcement comes as a relief to the shipping industry, that has been navigating the crew change crisis and other COVID-19 pandemic related disruptions. The shipping industry commends the ACP’s decision and welcomes ongoing communication on issues central to preserving the global supply chain.

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About ICS

The International Chamber of Shipping (ICS) is the principal international trade association for merchant shipowners and operators, representing all sectors and trades and over 80% of the world merchant fleet.

For an image of ICS Secretary General Guy Platten [click here](#)

Media enquiries

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Notes to editor:

Panama Canal

- *The Panama Canal is one of the world’s busiest shipping routes and has historically handled about 5% of world trade*
- *Nearly 14,000 transits were made through the Panama Canal in 2020*
- *It serves more than 140 maritime routes to over 80 countries. Around 50 ships transit the Suez Canal a day*

Suez Canal

- *Average passage rate of 51.5 ships per day passing through the canal in 2020.*
- *The revenues of Egypt’s Suez Canal reached 5.61 billion U.S. dollars in 2020*
- *About 12% of the world trade volume passes through.*
- *In 2019, the value of global maritime trade was estimated at US\$14 trillion*

About ASA

The Asian Shipowners’ Association (ASA) is a voluntary organization of the shipowner associations of Australia, China, Chinese Taipei, Hong Kong, Japan, Korea and the Federation of ASEAN Shipowners’ Associations comprising shipping associations of ASEAN countries. The aims of the ASA are to promote the interests of Asian shipowners. Between annual ASA meetings, the ongoing work is carried out by five Standing Committees: The Seafarers Committee (SC), the Ship Insurance and Liability Committee (SILC), the Safe Navigation and Environment Committee (SNEC), the Shipping Policy Committee (SPC), and the Ship Recycling Committee (SRC). It has been estimated that ASA shipowners and managers control and operate around 50% of the world’s cargo carrying fleet.

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Image: ASA Secretary General, Yuchi Sonoda

About ECSA

The [European Community Shipowners' Associations \(ECSA\)](#) was founded in 1965 and represents the national shipowners' associations of the EU, the UK and Norway. The European shipowners control 39.5% of the global commercial fleet, contribute 149 billion to the EU GDP and provide 2 million Europeans with careers both on board and ashore. ECSA promotes the interests of European shipping so that the industry can best serve European and international trade in a competitive free business environment to the benefit of shippers and consumers.

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