

**Update for the  
upcoming tolls process  
FY2020**



CANAL DE PANAMÁ

**Meeting with the International  
Chamber of Shipping (ICS)**

**June 4th 2019**

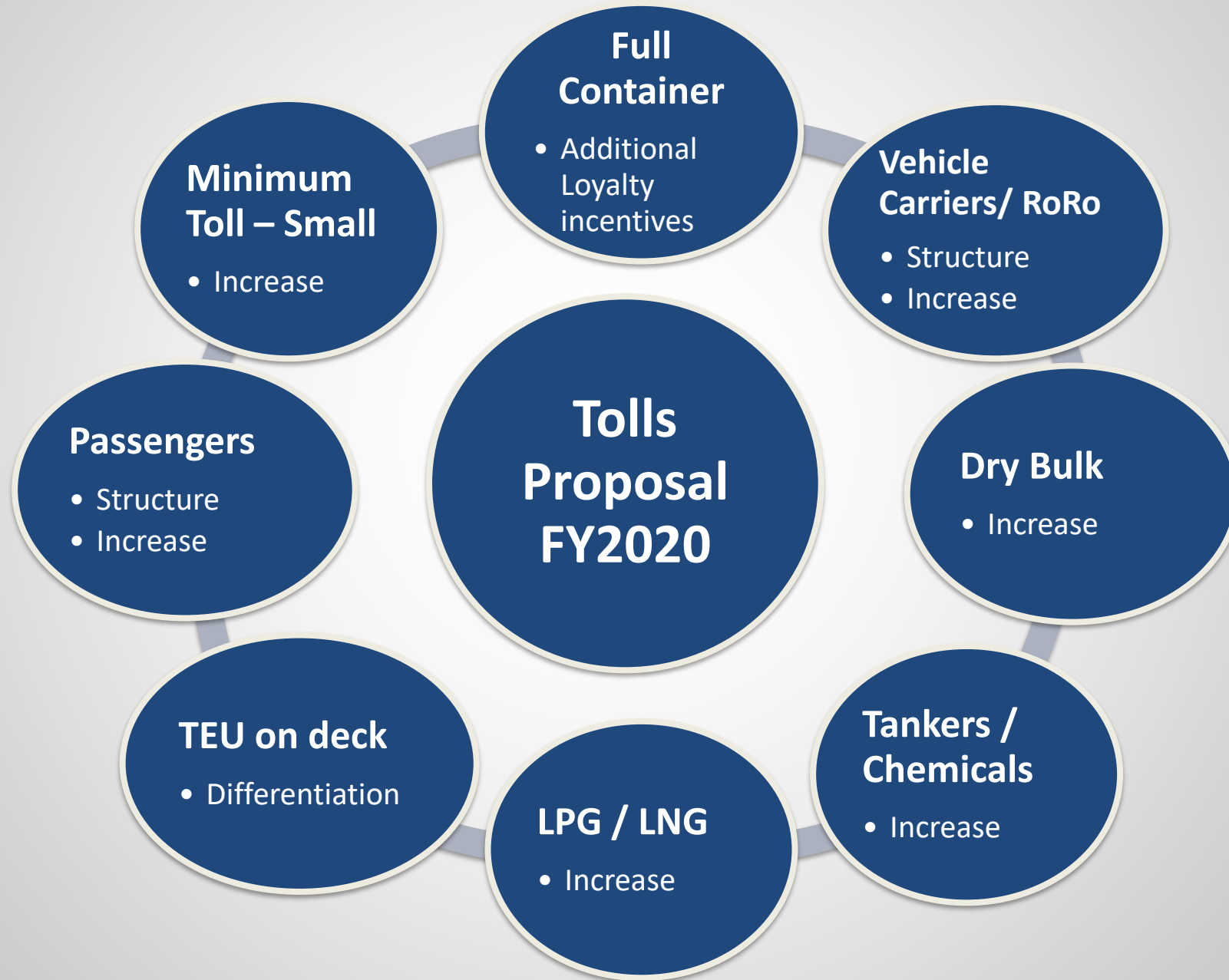




## **Considerations for 2019 Tolls Modification Process**

- All information shared herein is strictly confidential.
- Last tolls modifications took place on October 1st, 2017.
- Asian and US customers have been informally notified ACP's intent to modify tolls.
- Panama Canal International Advisory Board has also been informed of the proposal.

# Summary of the Proposal by Segments – Action Plan







# Recent Evolution of Tolls Structures for Full Container Vessels

## Tolls Process implemented in FY 2011 (January 2011)

- Development of the Fix (TEU Capacity) and variable (Loaded TEU) concept.
- Represented the last real tariff increase for this market segment (\$74/teu of capacity + \$8/loaded teu).

## Tolls Process implemented in FY 2015 and FY 2016 (April 2016)

- Development of the Loyalty Program – An Incentive that resulted in a lower effective tariff.
- Incentives between \$1 and \$3 per Teu of capacity for customers that reached specific capacity levels.

## Tolls Process implemented in FY 2018 (October 2017)

- Development of the TTLR Tariff (total teu loaded return) as incentive for the return voyage.
- Incentives between \$10 and \$15 per loaded teu in the return voyage based on requirements.



# Tolls Proposal for Full Container Vessels - 2020

## 1. Extend or maintain implementation of the TLR tariff (Total Teu Loaded Return)

- An expected increase of bunker prices for FY 2020
- Implementation of IMO 2020 regulations
- An expected increase of transportation costs and charter rates
- Implementation of adjustment factors for importers (BAF)
- Shippers continue to search alternatives for transportation costs reductions and savings (time and distance)

## 2. New Categories for the Loyalty Program

- New Category 1<sup>a</sup> - Applied to those that reach 2 million in cumulative TEU capacity (TTA) – Additional Incentive
- New Category “Loyalty Plus” applied only to the TEUs over 3M in cumulative TEU capacity (TTA) – Additional Incentive

# Important Dates and Considerations of the Proposal



## Announcement of Publication

- **Mid-June 2019**
- Advisory to Shipping, Panama Canal Registry
- [www.pancanal.com/peajes](http://www.pancanal.com/peajes) for electronic copies of the proposal

## Formal Consultation Period

- **Ends Mid-July 2019** - Date will be established in the proposal
- Letter to request participation in the Public Hearing
- Letter of comments, highlights and questions about the proposal

## Forwarding of Information

- Delivered in person
- Delivered by courier mail (former option of fax not valid)
- By email: [Customerrelations@pancanal.com](mailto:Customerrelations@pancanal.com)

## Public Hearing

- Open to the public
- All speakers should have previously requested participation
- **Around the third week of July 2019**

## Implementation

- January 1<sup>st</sup> 2020