

No change in Panama Canal restrictions before April



The Deputy Administrator for the Panama Canal Authority (ACP), Ilya Espino de Marotta, says the waterway does not expect changes to current vessel transit restrictions until at least April.

Michele Labrut | Feb 16, 2024

The ACP will assess water levels after the dry season before making any decisions.

After a severe drought forced authorities to impose transit limits, rainfall in the closing quarter of last year enabled the postponement of further restrictions to January of this year.

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Marotta told Reuters that the ACP was receiving increasing demand for transits through the waterway due to the crisis in the Red Sea, but changes to transit restrictions will depend on water availability which has restricted the canal from accommodating rerouted traffic, according to Marotta.

“Due to problems at the Red Sea, many people forced to take alternative routes have tried to resort to Panama, but it has not been possible,” she said.

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Espino added that the uptick in demand for US (LNG) in Europe has seen a decrease in LNG vessels traversing through Panama since 2022. Yet, if it becomes more economically viable for US exporters to ship to Asia, this situation could very much change.

Canal transit restrictions will reduce cargo volumes moved through the waterway and the number of ships may fall by 1,500 vessels that would typically pass through the route under normal circumstances.

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