

Panama Canal details new reservoir project

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Panama Canal Authority

The Panama Canal Authority has given itself a six-year deadline to complete the construction of a giant \$1.6bn new reservoir along the Indio river to help provide water security in the years ahead so that the vital waterway can maintain a minimum of 36 transits a day.

At its maximum, the canal can handle 40 ship transits a day, a figure that was eroded last year as months of record drought took their toll. In tandem, canal administrators were forced to cut maximum draft limits for ships transiting the waterway's larger neopanamax locks by close to 2 m, something that has eased in recent months as rains have returned.

Panama suffered its worst drought on record last year, forcing administrators to slash transits in half. This year it has been steadily getting back to normal as the rainy season returns.

The canal will increase daily transits to 35 slots after August 5.