



# The expanded Panama Canal and its impact on global trade

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**CANAL DE PANAMÁ**

# Inaugural Transit –COSCO Shipping Panama



June 26, 2016

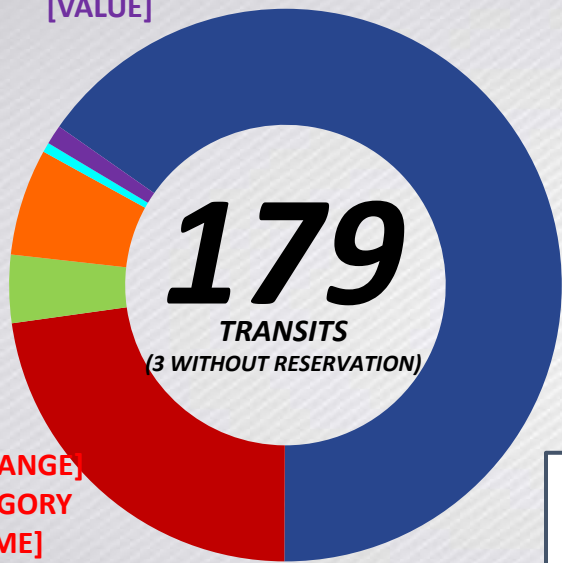




# Neopanamax Locks – Transit of Vessels and Reservation Slots

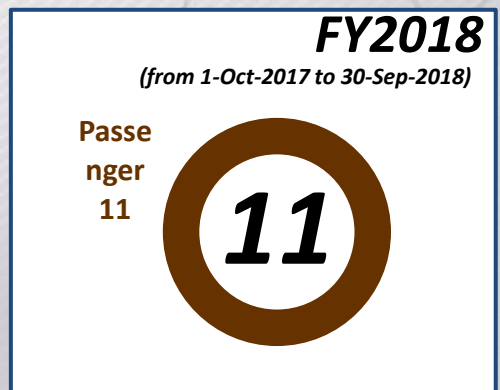
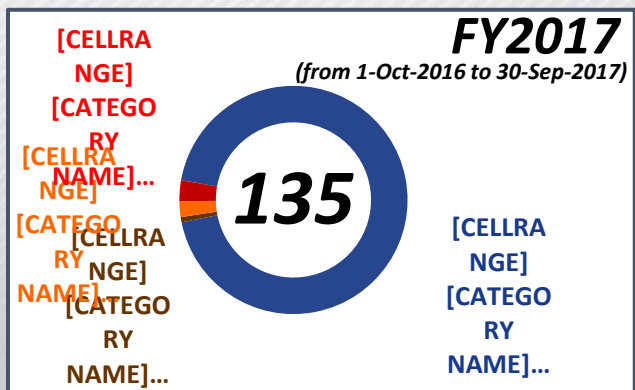
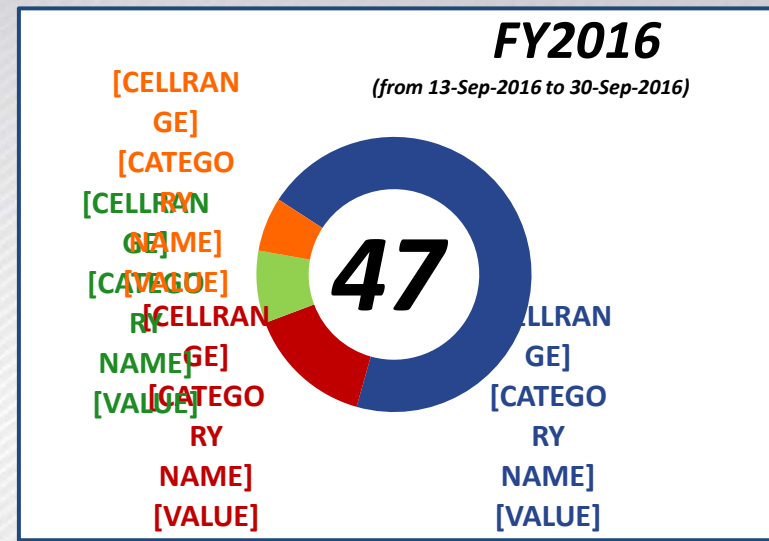
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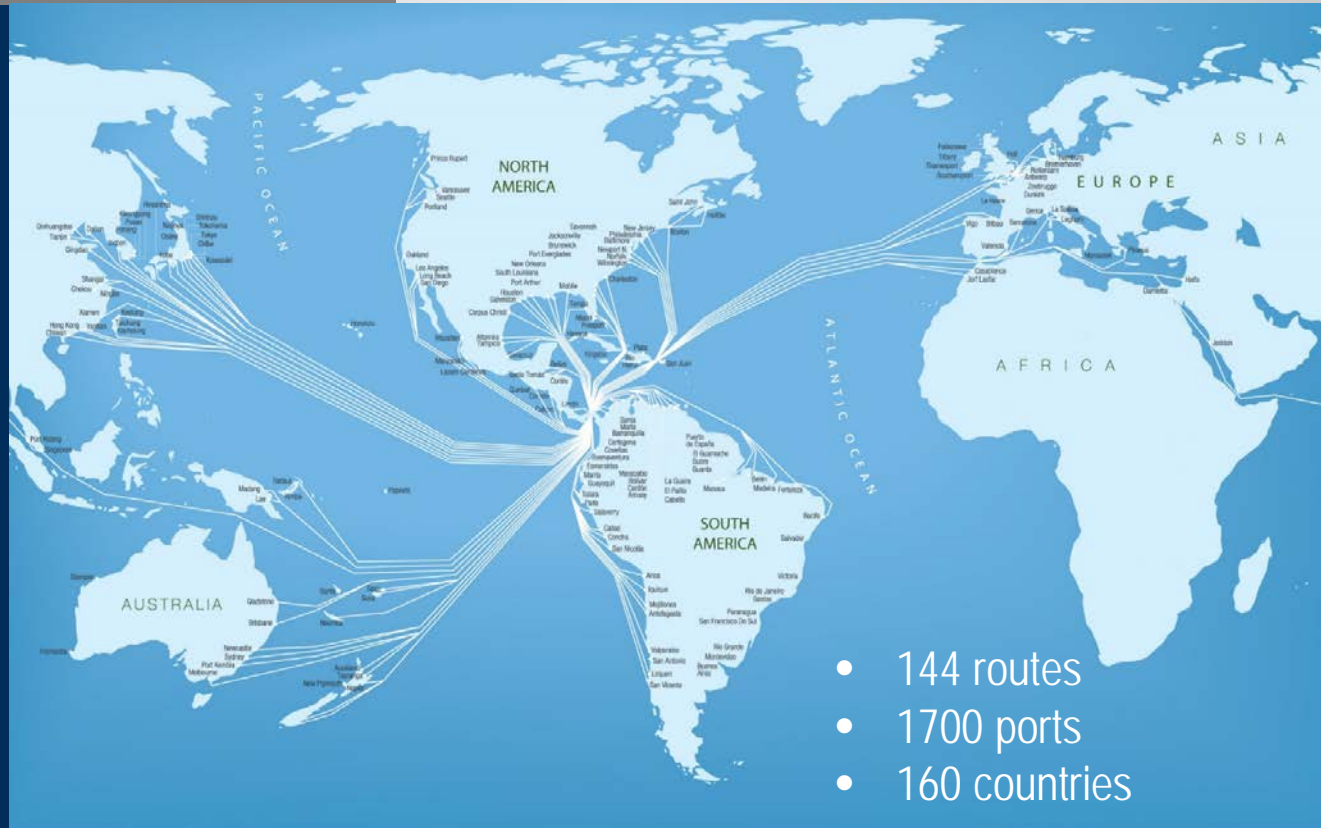
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Updated as of 12-Sep-2016 (inclusive)

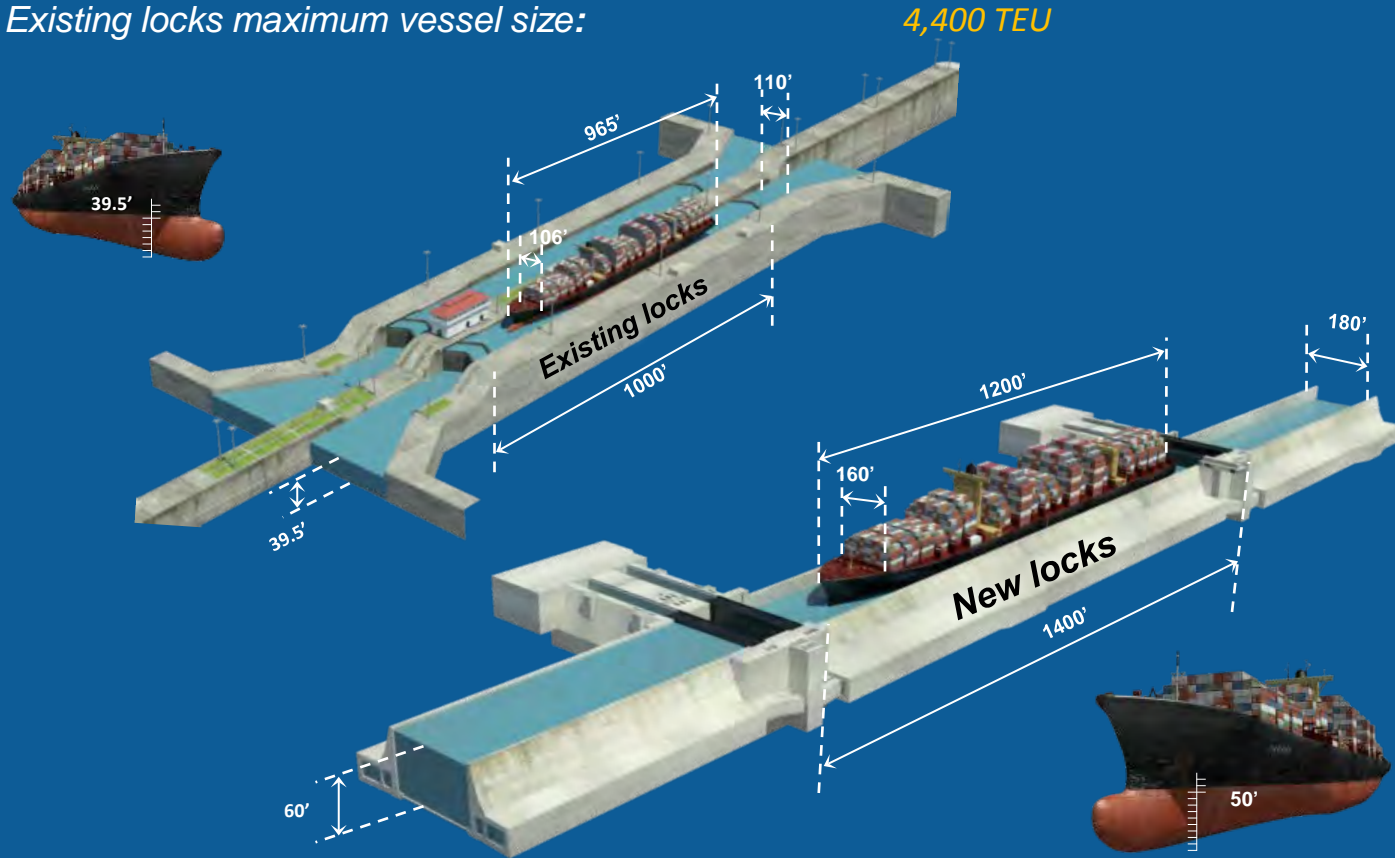


# It is all about connectivity!



# Dimensions of Locks and Ships

*Existing locks maximum vessel size:*



*New locks maximum vessel size:* 13,000 – 14,000 TEU

# Who is benefiting from the Panama Canal expansion?

## Main user countries

United States  
China  
Chile  
Japan  
Peru  
South Korea  
Colombia  
Mexico  
Ecuador  
Canada  
Panama

PORTS



EXPORTERS



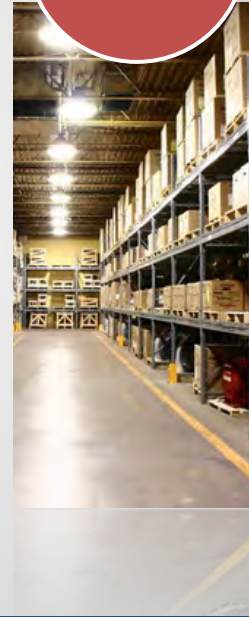
SHIPPING LINES



IMPORTERS



SUPPLY CHAIN



CONSUMERS



Economies of scale; efficiencies in the supply chain; connectivity



# Vessel types that are already using the expanded Canal



Containerships, LPG tankers, LNG carriers, and vehicle carriers/ro-ro



# Differences in vessel's size and capacity

## More cargo at lower cost

### Containerships



**Panamax**  
Capacity  
3,000 – 5,000 TEU



**Neopanamax**  
Capacity  
5,000 – 14,000 TEU

3X

# Differences in vessel's size and capacity

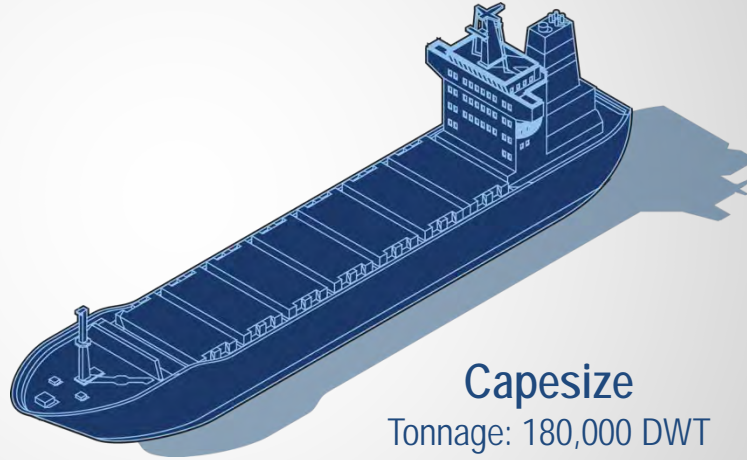
## More cargo at lower cost

### Dry Bulkers



**Panamax**

Tonnage: 75,000 DWT  
67,000 MT of cargo



**Capesize**

Tonnage: 180,000 DWT  
130,000 MT of cargo

2X



# Differences in vessel capacity

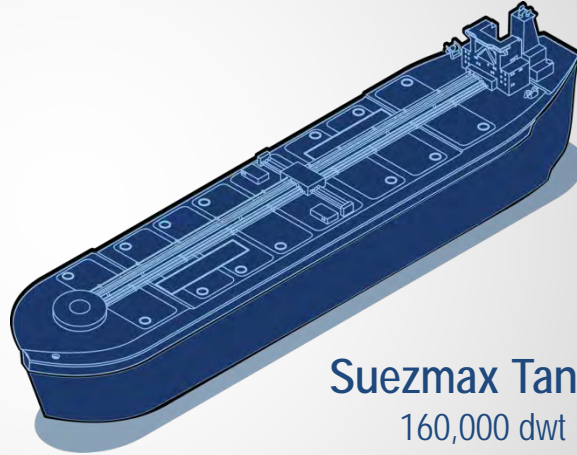
## Tankers



**Panamax Tanker**

70,000 dwt

450,000 barrels of capacity



**Suezmax Tanker**

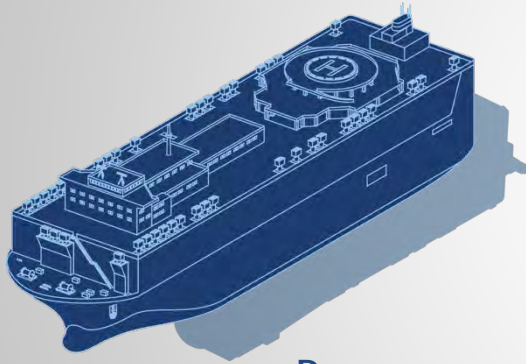
160,000 dwt

1,000,000 barrels of capacity

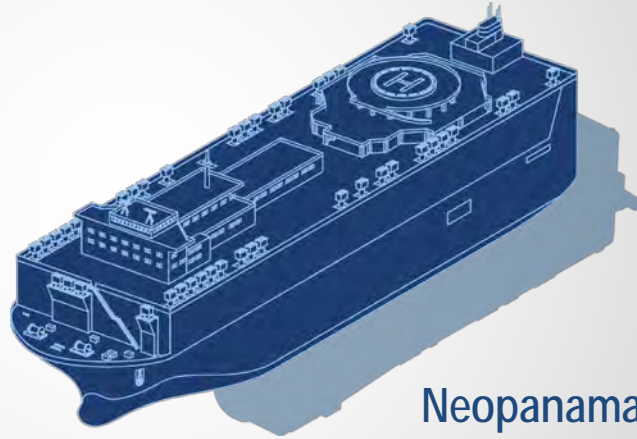
2X

# Differences in vessel capacity

## Vehicle Carrier / RoRo



**Panamax**  
6,500 CEU



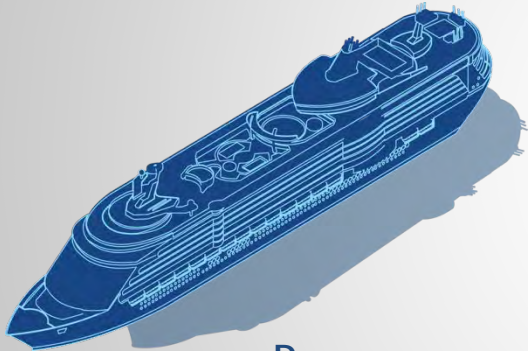
**Neopanamax**  
8,500 CEU

1.3X

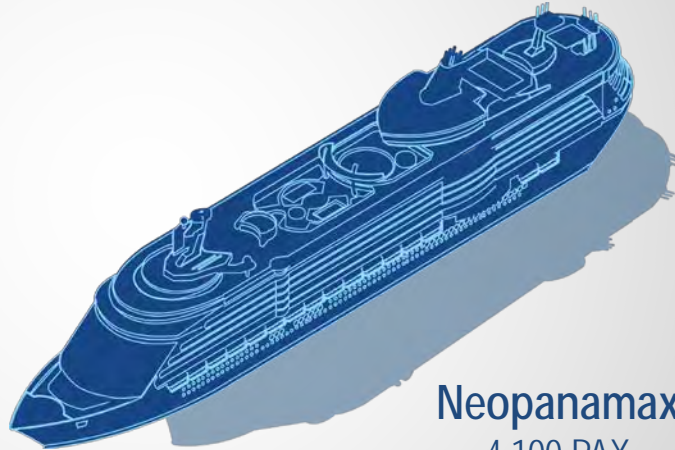


# Differences in vessel capacity

## Passenger Vessel



**Panamax**  
2,300 PAX



**Neopanamax**  
4,100 PAX

1.8X

# LNG: The new player



The Panama Canal, an enabler for LNG trade and a new asset for the global value chain



# LNG new trade route



# LNG new trade route



# Lower 48 states shale plays

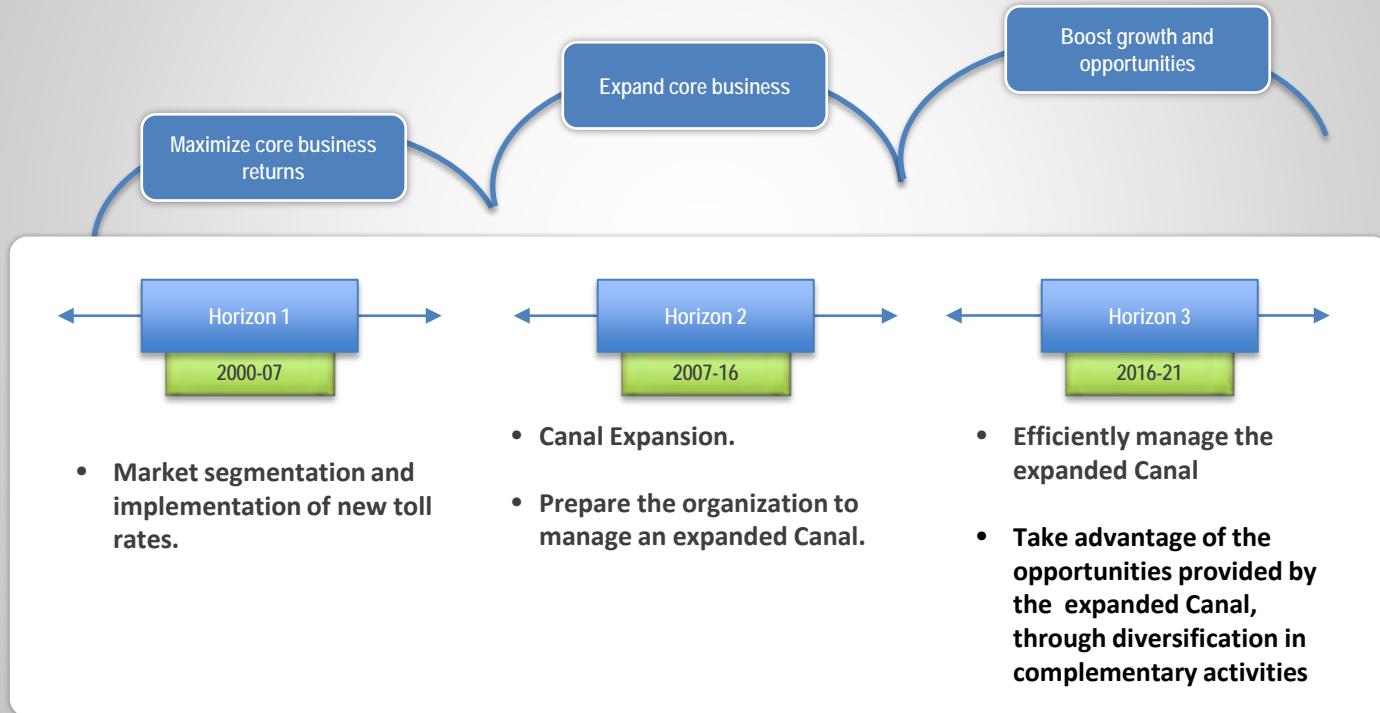




# Terminals approved by DOE/FERC

| PROJECT                                | LOCATION                         | STATUS                            | ANNOUNCED DATE FOR OPERATIONS | TRAINS              | CAPACITY (MTPA) |
|--|----------------------------------|-----------------------------------|-------------------------------|---------------------|-----------------|
| SABINE PASS LNG                        | CAMERON PARISH, LOUISIANA        | UNDER CONSTRUCTION                | 2016                          | 4 X (4.5 MMTPA E/O) | 18              |
| DOMINION COVE POINT                    | CHESAPEAKE BAY IN MARYLAND       | UNDER CONSTRUCTION                | 2017                          | 1X (5.75 MMTPA E/O) | 5.75            |
| CAMERON LNG                            | LOUISIANA, U.S.                  | UNDER CONSTRUCTION                | 2018                          | 3 X (4.0 MMTPA E/O) | 12              |
| FREEPORT LNG                           | QUINTANA ISLAND, FREEPORT, TEXAS | UNDER CONSTRUCTION                | 2018                          | 3X (4.4 MMTPA E/O)  | 13.2            |
| CORPUS CHRISTI                         | LA QUINTA CHANNEL, TEXAS         | APPROVED BY FERC IN DECEMBER 2014 | 2018                          | 3 x (4.5 MMTPA E/O) | 13.5            |
| Source: IHS CERA Energy – January 2015 |                                  |                                   |                               |                     | 62.4            |

# ACP Strategic Planning Horizon



# Impact on Logistic Cluster



Panama Canal  
Expansion



- economies of scale to carriers
- reduced cost per unit of cargo
- More transshipment
- New routes /commodities



## Needs for additional capacity

- Additional container terminal port capacity
- Railroad Improvements
- RoRo capacity
- Multi-purpose capacity

## Opportunities

- Energy
- Logistic Parks - value added

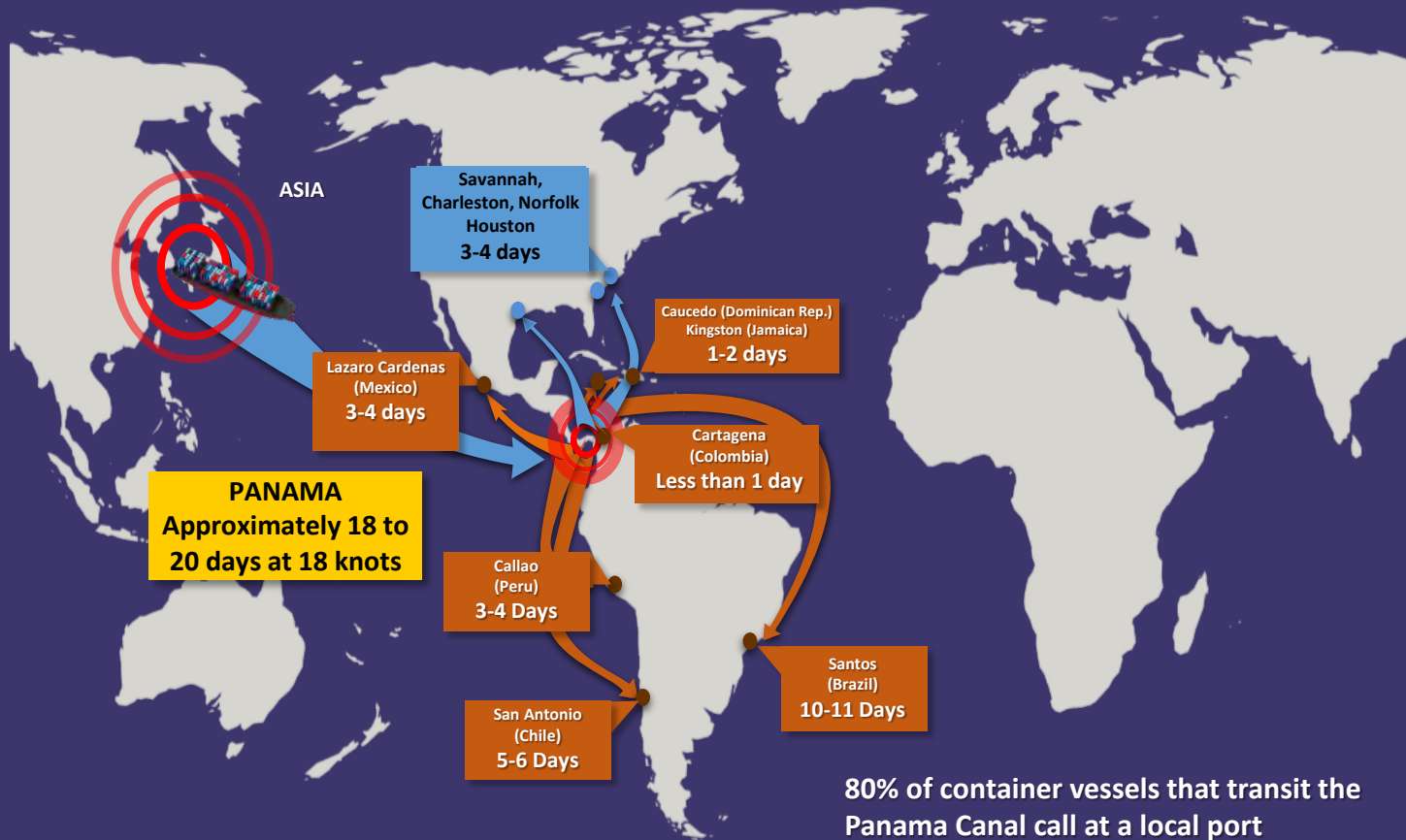


# DIVERSIFICATION STRATEGY



# The Panama Canal

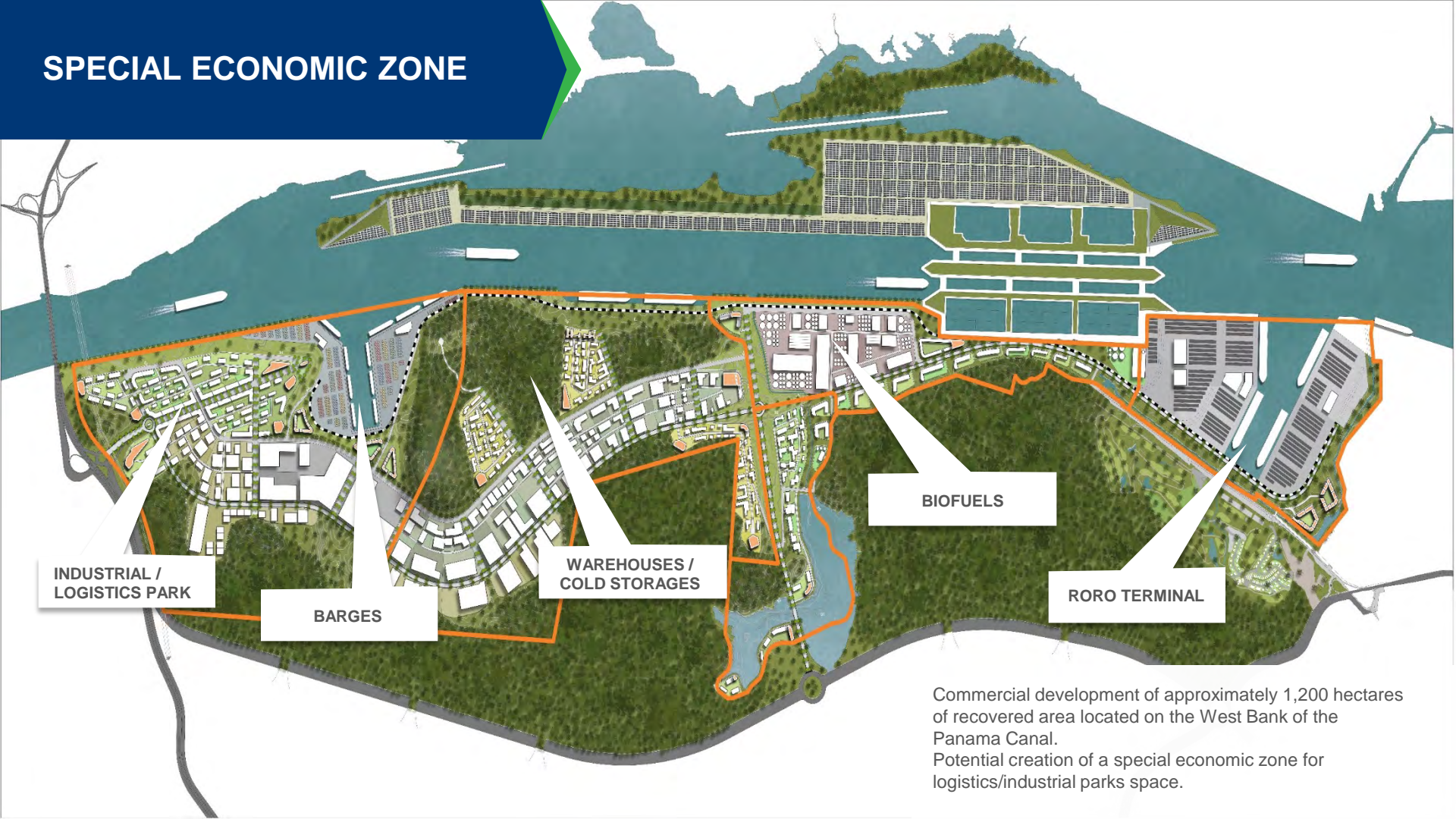
It is all about reliability, connectivity, and value added services







# SPECIAL ECONOMIC ZONE



INDUSTRIAL /  
LOGISTICS PARK

BARGES

WAREHOUSES /  
COLD STORAGES

BIOFUELS

RORO TERMINAL

Commercial development of approximately 1,200 hectares of recovered area located on the West Bank of the Panama Canal.  
Potential creation of a special economic zone for logistics/industrial parks space.





# LNG TERMINAL

## USTDA GRANT FOR A FEASIBILITY STUDY:

- Supply ACP internal demand
- Supply LNG to ships calling Panama Canal and ports
- Re-distribute LNG to the region

Purpose: to strengthen the Panama route





# THANKS!

