CANAL DE PANAMÁ

Long-Term Slots Allocation (LoTSA)

Terms and Conditions

March 21, 2025

Introduction

Panama Canal Authority
Long-Term Slot Allocation

The Long-Term Slot Allocation (LoTSA) is a new method for Neopanamax vessels to secure transit slots in the Panama Canal. This method allows customers to reserve transit slot packages through a sealed bid process available in the Panama Canal Transit Auction System.

The following table summarizes the package availability and the slot distribution per package to be allocated the first year through the LoTSA method for booking dates from January 5, 2025, to January 3, 2026:

Market Segment	Offering number	Number of Packages	Slot per Package	Transit frecuency	Slot per Direction	
					N	S
Full Containers	1	7	104	1 per direction each week	52	52
	2	7	52	1 each week	52	
LNG/LPG	3	6	24	2 per month		24
	4	9	12	1 per month		12
All	5	1	6	1 per month		6
LNG/LPG	6	9	12	1 per month	*northbound or southbound	

*All 12 slots per package shall be in the same direction.

The sealed bid processes for the first calendar year period will be held beginning September 9, 2024, for booking dates from January 5, 2025, to January 3, 2026, as shown in the following table:

Market Segment	Number of Packages	Slots per packages	Auction Opening Date
LNG/LPG	6	24	September 9,2024
	9	12	September 11,2024
Full Containers	7	104	October 1, 2024
	7	52	October 3, 2024
All	1	6	October 7, 2024
LNG/LPG	9	12	October 9, 2024

The LoTSA Packages offered through a sealed bid auction will be subject to the following terms and conditions:

1. Customers awarded Long-Term Slots (LoTSA) will enjoy the following privileges without additional charges:

1.1. Swap and Substitution

1.1.1. Unlimited swaps and substitutions requested at least two days prior to the required arrival time. Effective April 27,2025 requests made within 7 days of the required arrival time will not incur a substitution and/or swapping fee. No swap or substitution requested with less than two days from the required arrival time will be allowed.

Effective March 22, 2025, for booking dates beginning March 25, 2025

1.1.2. Customers with LoTSA packages may be approved for unlimited Swaps and Substitutions between LPG and LNG (or vice versa) vessels with the same Customer Code, if requested at least two days prior to the required arrival time, based on Canal capacity and vessel mix. If approved, the vessels will not be subject to a specific In Transit Time (ITT) guarantee.

1.1.3. Full Container Customers with LoTSA packages may be approved unlimited Swaps and Substitutions between vessels with different HML restrictions (excluding vessels with HML=M) within the same Customer Code, Alliance or Vessel Sharing Agreement (VSA), if requested at least two days prior to the required arrival time, based on Canal Capacity and vessel mix. If approved, the vessels will not be subject to a specific In Transit Time (ITT) guarantee.

1.2. Change Date

1.2.1. Flexibility may be granted for transit up to two days following the booking date without incurring in an additional fee and only one change date can be made per LoTSA, provided that the request is made no less than eight days prior to the required arrival for the original booking date, and subject to vessel´s mix and ACP´s approval. The newly requested date will be subject to a specific In Transit Time (ITT) guarantee.

1.2.2. Change date requests will not be allowed with 60 or more days prior to the reservation date.

1.2.3. If there is no capacity in the desired date to change, then the ACP will include the request in a waiting list. If a slot becomes available on the desired date, the slot will be offered to the clients in the waiting list, in a descending order based on the request date.

1.3. Customers with higher bids will have priority over customers with lower bids when assigning the individual window to register the slot.

1.4. Booking slots acquired via the LoTSA method will be exempt from the High Demand surcharge.

2. Customers awarded Long-Term Slots (LoTSA) have the same options as other booking slots such as Just in time, change date, late arrival and transit date advancement. Effective April 27, 2025 the fee for these services will not be applicable. Please note that all the rules and conditions published on Notice to Shipping N-07 will remain in effect, however the rules expressly included in this LoTSA term and conditions will be the applicable for the LoTSA method.

3. Booking slots obtained through the LoTSA method are not subject to the following condition: Neopanamax vessels that have requested a booking slot for a particular date and were rejected due to unavailability of slots during any booking period (except Period 3), and subsequently obtain a slot for an alternate date, will be allowed to change to the original date without being assessed a fee for the change, provided that they participate in the tiebreaker competition for the slot; and that the reservation for the alternate date was awarded prior to the slot for the original date becoming available. This provision also applies to vessels interested in slots that become available during the second booking period competition. For this provision to be applied, the booking request shall be submitted during the tiebreaker competition (regular or special) for such slots.

4. The Customer Code, the bid amount, number of packages, payment method and guarantor bank will be the only information required to place a bid in the Panama Canal Transit Auction System.

5. A different username is required for each Customer Code that participates in the sealed bid process, as currently required in the Panama Canal Auction System. The system will validate the username, and the Customer Code used to place the sealed bid and will create a key to this information.

6. These sealed bid auctions will be published not earlier than 0800 hours on day one and the closing time will be at 1200 hours on the next day.

7. The auction closing time will not be extended.

8. The initial or base price of the sealed bid auction for each slot included in the package will be $200,000 USD (Two Hundred Thousand US dollars).

9. Since several LoTSA packages will be offered at the same time, these packages will be awarded to the customer who submits the highest bid during the auction in descending order. If two or more customers submit the same bid amount at the time the auction closes, the allocation of packages between them will be based on the time each bid was received, in descending order.

10. In case there are customers interested in more than one package, and the number of packages offered exceeds the number of customers participating in the auction, one package will be allocated to each customer that participated in the auction by their bid amount, in descending order (from highest to lowest) and the remaining packages will be allocated individually using the same bid amount order within the customers that are interested in more than one package. For example:

10.1. Example 1: 7 packages offered with 7 or more bidders in the auction interested in more than 1 package: the packages will be awarded according to the 7 highest bidders, in descending order. If two or more customers submit the same bid amount at the time the auction closes, the allocation of packages between them will be based on the time each bid was received, in descending order.

10.2. Example 2: 7 packages offered; and less than 7 bidders in the auction, in which there are some of them interested in more than 1 package: the packages will be awarded according to the highest bids in descending order, and the remaining packages will be awarded between the bidders interested in more than 1 package, according to the highest bid, in descending order.

11. Similar to the current auctioned slots procedure, customers awarded Long-Term slots shall submit a particular date booking request in The Transit Reservation System (Booking) Application, as outlined in Table #1. In this request, the customer shall introduce the package code and check the "Long-Term Slot" box.

Note: In addition, Full-daylight restricted vessels, tug-and-barge units and non-self-propelled vessels are not allowed to participate to book their transit through the LoTSA initiative.

12. For each recurring week the same priority procedure presented above will apply.

13. Under this scheme, a LoTSA slot is booked to transit in a specific week or month. The specific transit date should be defined no later than 15 days prior to the beginning of the intended LoTSA week. If the customer fails to submit the desired booking date request for the acquired LoTSA week, the slot will be forfeited, and the customer will be assessed a cancellation fee equal to the sealed bid amount and the slot will be carried over to period 1A.

14. In the event of a LoTSA slot cancellation request, a fee equivalent to the auctioned bid amount for the booking slot will be applied. Furthermore, cancellations made with less than 2 days prior to the required arrival time will incur an additional fee of 250% of the reservation tariff (Tariff 1050.IBN1) if the vessel does not arrive within the next 7 days of the booked date, in addition to the cancellation fee for LoTSA slot (Tariff 1050.IBC8). Moreover, as per Notice to Shipping N-7 Canal authorities may cancel the vessel's booking without charge or may waive assessment of a penalty fee if the vessel's late arrival was due to a medical or humanitarian emergency, force majeure or fortuitous event arising between the vessel's last port and its arrival at Canal waters that could not have been reasonably predicted in advance.

15. Slots are not transferable to other customers unless the customers operate within an alliance and meet the requirements specified in the applicable Notice to Shipping N-7 and the Customer Code Issuance, Consolidation and Deactivation Procedures.

16. Once the package is awarded through the LoTSA method, the customer or his corresponding local shipping agent must submit the appropriate LoTSA request at the time the package is awarded. At this time, the customer must specify the payment method that will be used at the time the vessel´s visit is assigned to the LoTSA slot; that is, line of credit, payment gateway, revolving fund or bank guarantor. Regarding the payment of slots obtained through the LoTSA method, customers must pay in cash or post a bank guarantee, in the legal currency of the Republic of Panama, not later than 96 hours prior to the transit date.

17. Customers for Full containers LoTSA packages will be able to submit the required day of the week through form #4611. Once the auction is ended, the list of winners will be published, and customers will be assigned the day of the week requested if it is available, otherwise The Canal will offer the opportunity to request a different day. Also, will be assigned the priority window based on the winners' auction order.

18. From the 28 LoTSA slots available per week, a maximum of 6 LoTSA slots may be registered through the Panama Canal Booking System for the same day of the week, up to 5 for Full container vessels and up to (2) for all other segments, for a maximum of 4 slots per direction. Moreover, a maximum of 3 customers awarded packages with 104 slots for Full containers may request a slot for the same day of the week and a maximum of 3 customers awarded packages with 52 slots for Full containers may be request a slot for the same day of the week.

END

Table #1

Market Segment	Offer	Slots per Package	Winners Order	Individual Timeframe (# days)	Total Timeframe (# days)	Package Number
Full Containers	1	104	1st placed	70 a 69	70 to 35	LOT-F-01-01
	1	104	2nd placed	68 a 67	68 to 35	LOT-F-01-02
	1	104	3rd placed	66 a 65	66 to 35	LOT-F-01-03
	1	104	4th placed	64 a 63	64 to 35	LOT-F-01-04
	1	104	5th placed	62 a 61	62 to 35	LOT-F-01-05
	1	104	6th placed	60 a 59	60 to 35	LOT-F-01-06
	1	104	7th placed	58 a 57	58 to 35	LOT-F-01-07
	2	52	1st placed	70 a 69	70 to 35	LOT-F-02-01
	2	52	2nd placed	68 a 67	68 to 35	LOT-F-02-02
	2	52	3rd placed	66 a 65	66 to 35	LOT-F-02-03
	2	52	4th placed	64 a 63	64 to 35	LOT-F-02-04
	2	52	5th placed	62 a 61	62 to 35	LOT-F-02-05
	2	52	6th placed	60 a 59	60 to 35	LOT-F-02-06
	2	52	7th placed	58 a 57	58 to 35	LOT-F-02-07
LNG/LPG	3	24	1st placed	56 a 55	56 to 35	LOT-L-03-01
	3	24	2nd placed	54 a 53	54 to 35	LOT-L-03-02
	3	24	3rd placed	52 a 51	52 to 35	LOT-L-03-03
	3	24	4th placed	50 a 49	50 to 35	LOT-L-03-04
	3	24	5th placed	48 a 47	48 to 35	LOT-L-03-05
	3	24	6th placed	46 a 45	46 to 35	LOT-L-03-06
	4	12	1st placed	56 a 55	56 to 35	LOT-L-04-01
	4	12	2nd placed	54 a 53	54 to 35	LOT-L-04-02
	4	12	3rd placed	52 a 51	52 to 35	LOT-L-04-03
	4	12	4th placed	50 a 49	50 to 35	LOT-L-04-04
	4	12	5th placed	48 a 47	48 to 35	LOT-L-04-05
	4	12	6th placed	46 a 45	46 to 35	LOT-L-04-06
	4	12	7th placed	44	44 to 35	LOT-L-04-07
	4	12	8th placed	43	43 to 35	LOT-L-04-08
	4	12	9th placed	42	42 to 35	LOT-L-04-09
	4	12	1st placed	41	41 to 35	LOT-L-06-01
	4	12	2nd placed	40	40 to 35	LOT-L-06-02
	4	12	3rd placed	39	39 to 35	LOT-L-06-03
	4	12	4th placed	38	38 to 35	LOT-L-06-04
	4	12	5th placed	37	37 to 35	LOT-L-06-05
	4	12	6th placed	36	36 to 35	LOT-L-06-06
	4	12	7th placed	35	35	LOT-L-06-07
	4	12	8th placed	35	35	LOT-L-06-08
	4	12	9th placed	35	35	LOT-L-06-09
All	5	6	1st placed	35	35	LOT-A-05-01

Table of changes		
Revision	Date	**Revision Description**
10	21-Mar-25	- Unlimited swaps and substitutions requested at least two days prior to the required arrival time, effective April 27,2025. - Customers with LoTSA packages may be approved of Swaps and Substitutions between LPG and LNG (or vice versa), if approved vessel will not be subject to a specific in transit time. - Full Container Customers with LoTSA packages may be approved of Swaps and Substitutions between vessels with different HML restrictions (excluding vessels with HML=M), if requested 2 days prior required arrival time based on capacity and vessel mix. - Change date may be granted up to 2 days following the booking date without charge and the newly requested date will be subject to an specific In Transit Time (ITT) guarantee. - If there is no capacity in the desired date to change, then ACP will include the request in a waiting list. Flexibility may be granted for transit for up to 2 days following the original booking date without charge, provided that the request is made no less than 8 days prior to the required arrival for the original booking date. -Customers awarded Long-Term Slots (LoTSA) have the same options as other booking slots such as Just-in-time, change date, late arrival, and transit date advancement. Effective April 27, 2025 these services will not be charged. - The specific transit date should be defined no later than 15 days prior to the beginning of the intended LoTSA week.
9	31-Jan-25	Includes table of changes.
8	15-Oct-24	Vessels with LoTSA slots will be allowed to request a change date at no cost, if the request is made less than 60 to more than 7 days prior to reservation date. Change date requests will not be allowed with 60 or more days prior to the reservation date and less than or equal from 7 days to 2 days prior to the transit date and will be charged the corresponding change date fee accordingly to the official Maritime Services tariffs.
7	30-Sep-24	9 packages from offering number 6 could be fully north or southbound direction.
6	24-Sep-24	Correct the number of packages for offering number 5, from 6 to 1.
5	18-Sep-24	Initial table includes offering number 6 for LNG/LPG (9 packages, 12 slots per package) and second table includes the auction opening date for package number 6. - Table #1 includes package number LOT-L-06-01 through LOT-L-06-09, for offer 4.
4	12-Sep-24	Increase the amount of slot from one to two slots for all other segments per day.
3	6-Sep-24	Add paragraph: -Booking slots obtained through the LoTSA method won't have cancellation fees for Neopanamax LNG vessels (1050.IBC6 & 1050.IBC7). The 0.5 transit reduction in the Customer Ranking will no longer apply. - If the customer doesn't submit the booking date request for the LoTSA week, the slot will be forfeited. The customer will be charged a cancellation fee equal to the sealed bid amount, and the slot will move to period 1A. - Application of the 250% of the reservation tariff if the vessel does not arrive within the next 7 days of the booked date, in addition to the cancellation fee for LoTSA slot . -The ACP may cancel vessel´s booking fee without any charge due to medical or humanitarian emergency, force majeure or fortuitous event arising between the vessel's last port and its arrival at Canal waters that could not have been reasonably predicted in advance. - Slots are not transferable unless they operate under the same alliance, meet Notice to shippig N-7-2024 and the Customer Code Issuance, Consolidationa and deactivation procedures. - Customers for full containers LoTSA packages will be able to submit the required day of the week through form #4611. - 28 Lotsa slots per week, maximum of 6 slots may be registered for the same day of the week and the amount per segment and direction.
2	26-Aug-24	Change the auction opening dates for full containers from september (2,4 and 9) to october (1, 3 and 7) 2024. Table #1 was included, shows market segment, offer, slot per package, individual timeframe (#days), total timeframe (#days) columns.
1	15-Aug-24	Improve writing: unlimited swaps and substitutions if you request them at least 8 days before arrival. Requests made within 7 days of the required arrival time will incur in a swap/substitution fee.
Original	1-Aug-24	Original version (published in Panama Canal´s official web by August 1, 2024)