Sustainability and Greenport Practices at The Panama Canal

Esteban G. Sáenz Executive Vice-president Environment, Water, and Energy Panama Canal

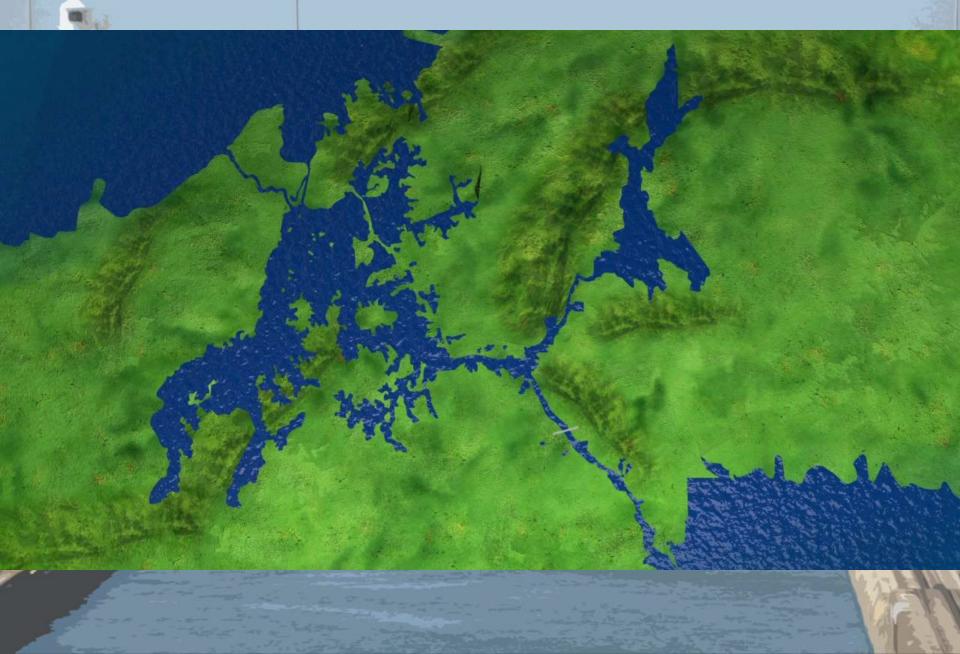
AAPA Facilities Engineering Seminar, November 8-10, 2011

CANAL DE PANAMÁ

At the Service of the World since 1914



How Does it Work?



Panama Canal Watershed



Environmental Strategy of ACP

Managing water resources efficiently to ensure its availability in quantity and quality Watershed **Promote environmental** protection in all activities, **Existing Canal** products and services offered by the ACP Expansion

Axes of the

environmental

strategy of ACP

Achieve a balance between sustainable development and efficient operation of the Canal

Minimize negative impacts to maximize positive impacts

Environmental Management System





On June 2003 ACP, received and maintained ISO 14001 Environmental Management System Certification.



CERTIFICATE OF APPROVAL

This is to certify that the Environmental Management System of

Autoridad del Canal de Panama Division de Administracion Ambiental Balboa, Panama, Panama Balboa, Las Cruces, Panama Gamboa, Mount Hope, Colon, Panama Balboa, Corozal, Paraiso, Gatun, Panama

has been approved by Lloyd's Register Quality Assurance to the following Environmental Management System Standard:

ISO 14001:1996

The Environmental Management System is applicable to:

Environmental Management Activities in Connection with the Operation and Maintenance of the Panama Canal.

Approval Certificate No: 113221 Original Approval: February 20, 2003 Current Certificate: February 20, 2003 Cartificate Expiry: February 28, 2006

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Panama Canal Duties



Establishes actions to conserve the environment in operational and compatibility areas of the Panama Canal

Conducts inspections and environmental follow-up to identify and analyze pollution activities

Develops and communicates legislation and environmental regulations to avoid contamination in areas under ACP responsibility

Establishes pollution control, prevention and reduction measurements and identifies environmental aspects and impacts in the operations of the Panama Canal





Control and Environmental Management Programs

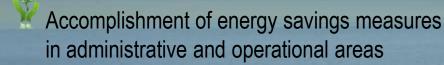
Environmental Inspection
Energy Savings
Materials and Residues Management
Emissions Control (air quality)
Corporate Environmental Performance Index
Hydrocarbons Pollution Control and Management of oily water and used oil

Environmental Inspection Program

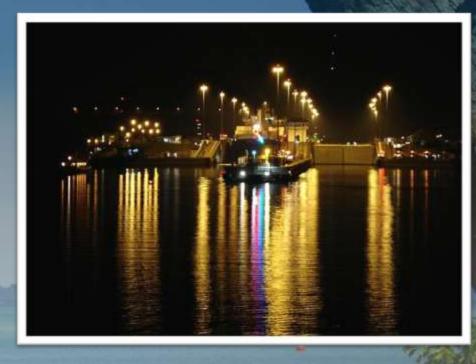
Operational Areas: verify the fulfillment of the environmental measures established through the Environmental Adequacy Programs, Environmental Impact Studies and environmental legislation

Compatibility areas and watershed : verify the fulfillment of the Environmental Management Plan and Environmental Management and Adequacy Plans

Energy Savings Program



Implementation of an awareness campaign and strategy





Materials and Residues Management Program







Promote the efficient use of materials

Reduce waste generation

Seek alternatives of resources recuperation through processes like reutilization, recycling, residues commercialization and adequate final disposition

Emissions Control (Air Quality)



Fixed source measuring: Miraflores Thermoelectric Plant

Y

Mobile source measuring: vehicles of ACP fleet



Hydrocarbons Pollution Control, Management of oily water and used oil



Investigation, response and mitigation of hydrocarbons spills

Proactive prevention through labor training (annual exercises of hydrocarbons spills)

Collection of used oil in floating equipment and ACP shops

Oily water treatment









Socio-environmental Management in the Panama Canal Watershed

Water

- Quantity
- Quality
- Forest coverage
- Land uses

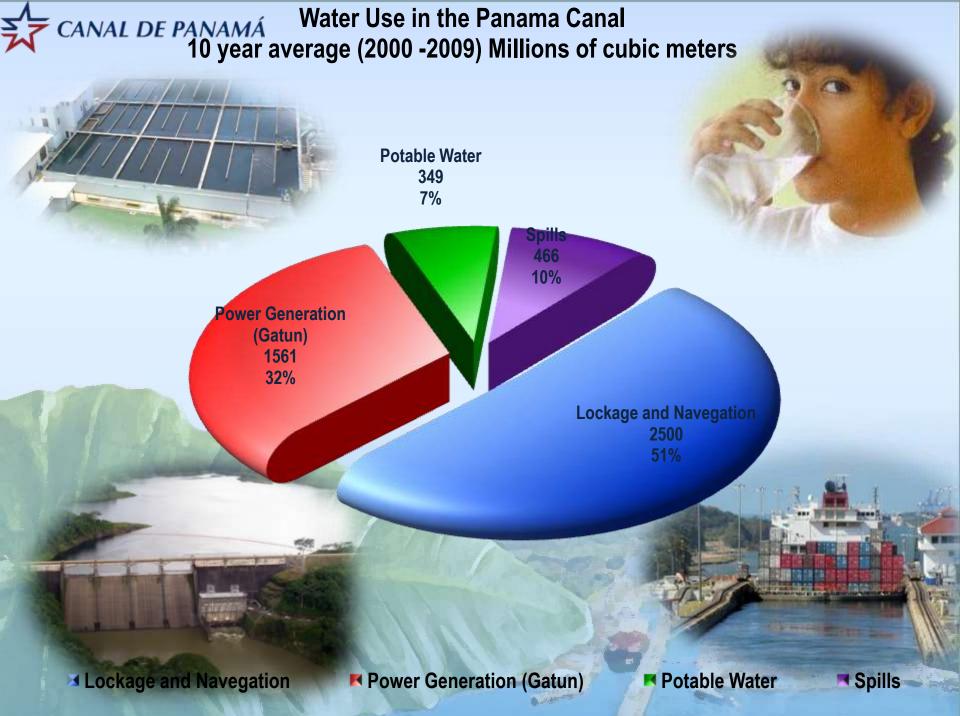


Axis water-people

People

 Uses: Consumption Recreation Economic activities

- Pressure: Discharges Solid waste Deforestation Inappropriate land use
- Effects on population: Resources shortages Diseases Soil loss Competition for use



Monitoring Water Quality and Quantity



Collect data on water quality on the watershed

Ensuring the highest quality water supply for the population, human activities and operations of the Canal



62 sampling points for water quality





Analysis performed: Conductivity, BOD, Temperature, Nitrates, Dissolved oxygen, Nitrites, Total and fecal coliforms, pH, Turbidity, Alkalinity, Chlorides, Sulfates, Total dissolved solids, Calcium, Magnesium, total suspended solids, Potassium, Sediments, Sodium Phosphates

Environmental Education



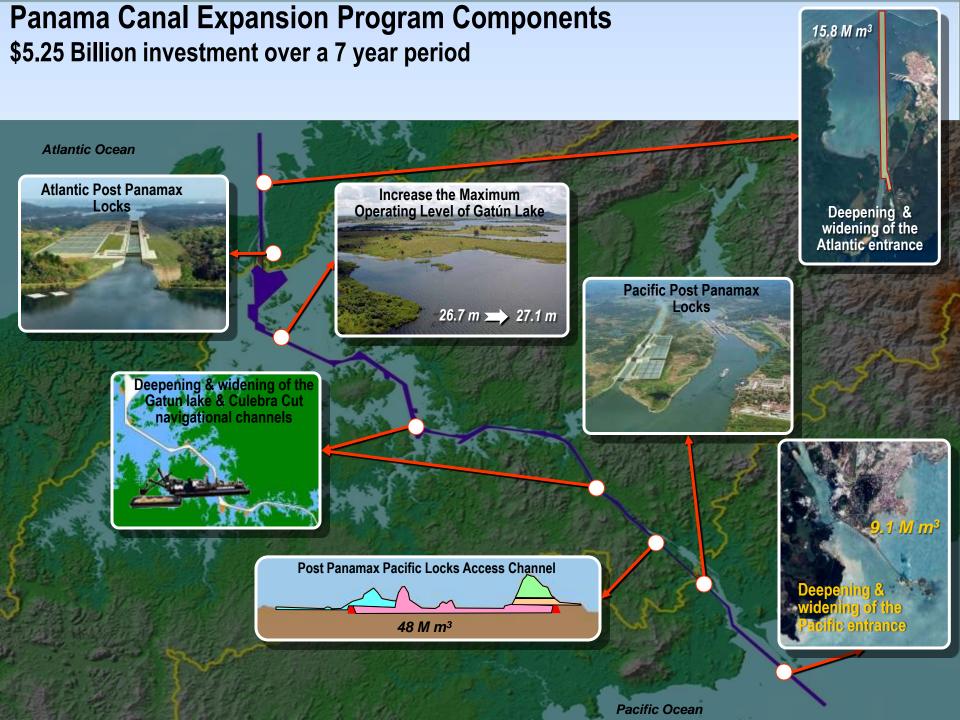


Environmental Education Program in Public Schools in the Panama Canal Watershed

Watershed Guardians - to educate teachers and students of the watershed for the conservation of water resources

Our Canal and its watershed - Promotes a culture of entrepreneurship and responsible use of natural resources

The 3R Campaign: Reduce, Reuse and Recycle, to encourage savings, optimal use, reuse and proper disposal of materials



Environmental Monitoring

- Programs
- Air, Noise and Vibrations Control
- Soil Protection
 - Water Resources Protection
 - Flora and Fauna Protection
- Waste Management
- Materials Management
- Socioeconomic and Cultural Resources



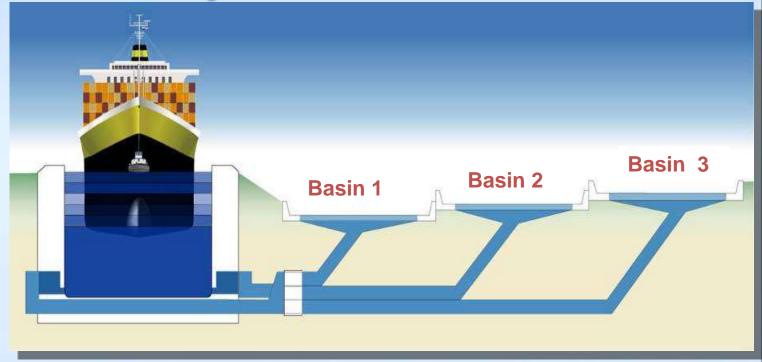
Environmental Management Plan

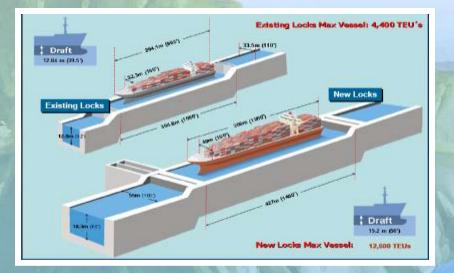
Plans

Monitoring and follow-up Citizen Participation and disclosure Risks Prevention Wildlife Rescue and Relocation Environmental Education Contractor Contingencies

Adaptation to the Climate Change

The Panama Canal Expansion project is an adaptation model for the climate change





With the new water saving basin system, the new locks will utilize 7% less water than the existing locks

60% of the water is reutilized in each transit

It will not require new reservoirs for the operation of the new locks

Erosion and Sedimentation Control



Air, Noise and Vibration Control

- Y Equipment working conditions
 - **Dust control**
 - Materials transport, storage, mixing, loading and unloading procedures
 - **Blasting controls**





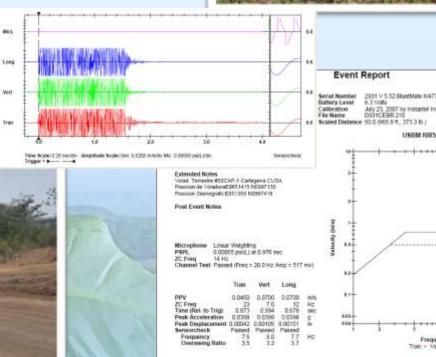
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USBM RI8507 And OSMRE

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Wildlife Rescue and Ecological Compensation

Wildlife Rescue Wildlife Rescue mammals reptiles

Ϋ amphibians

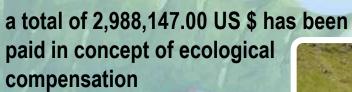
Reforestation Program 2008-2010:

665 Hectares

Ecological Compensation:











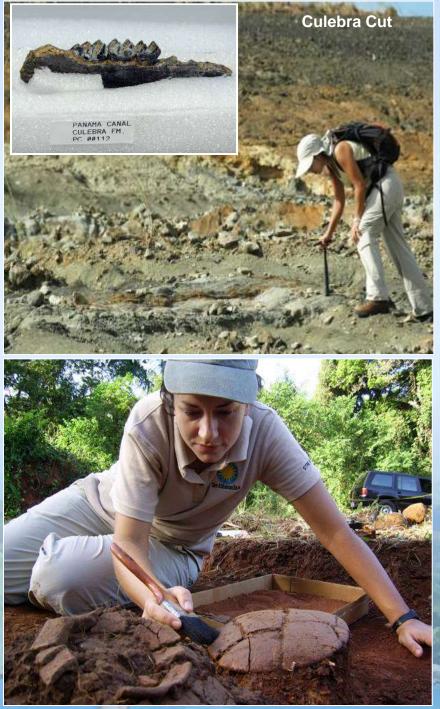
Cultural Resources

- Contract with Smithsonian Tropical Research Institute for:
 - Paleontological research and rescue



- Reconstruction of plant and animal diversity
- Oceanic and climatic model addressing variations due to the rise of the lsthmus
 - **Detailed Geological Map**
- Stratigraphy and structural model of the Canal and tectonic evolution of the Isthmus
- Geological dating of units of interest





Progress Reports on the Expansion Program



External Reports

Inspections and Audits:

Compliance verification, review and evaluation of contractor's monthly reports

Periodic inspections: Contractor, ACP and ANAM







Work is carefully planned, evaluated and executed to prevent, minimize, and mitigate adverse impacts and improve environmental performance





Components of the Green Route Concept





Establish ACP as a carbon neutral organization





The socio environmental commitment

Objective:

Protect and conserve the water resources of the Panama Canal Watershed, both in quantity and quality, for the operation of the Panama Canal and to provide potable water to the population

Components:



The protection of the existing forest cover and the promotion of sustainable land use

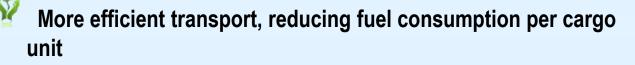
The reconversion of degraded areas

The inclusion of activities of commercial reforestation

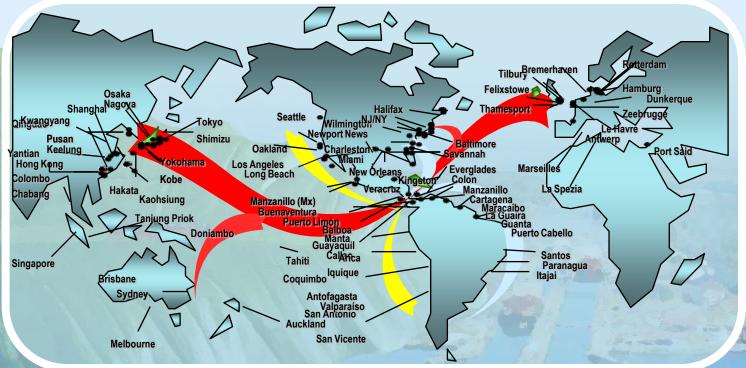
| Component | Scheme | Sub-scheme | Activity | Area (hectares) |
|--------------------------------|--------------------------|---------------------|--------------|--------------------|
| Protection | Forest conservation | | Conservation | 11,000 |
| | Regeneration | | Conservation | 2,000 |
| Sub total | | | | 13,000 |
| Reforestation and agroforestry | Agroforestry plantations | Agroforestry | Conservation | 1,290 |
| | | Silvopastoral | Conservation | 1,232 |
| | Forest plantations | Continuous areas | Commercial | 1,500 |
| | | | Conservation | 2,485 |
| | | Enrichment | Conservation | 493 |
| Sub total | | | | 7,000 |
| Total | | | | 20,000 |

Mitigation of global CO2 emissions by the Panama Canal route

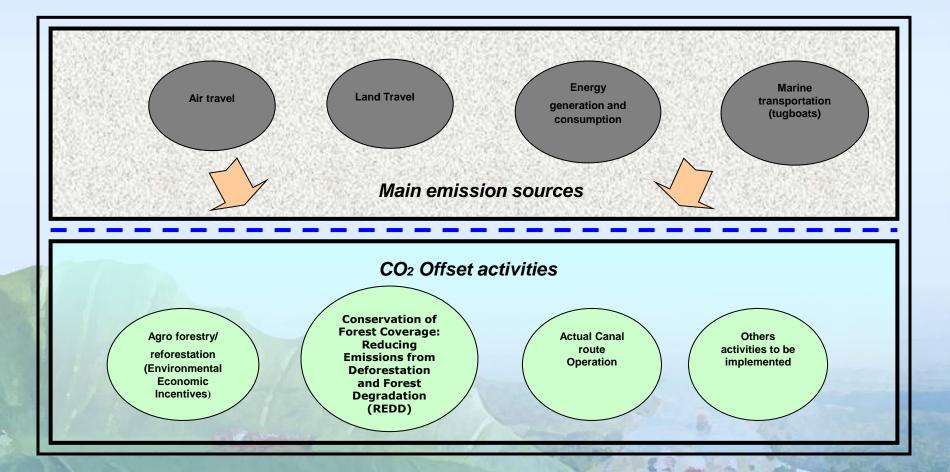
The Panama route enhances environmental contribution by reducing GHG emissions on the planet:



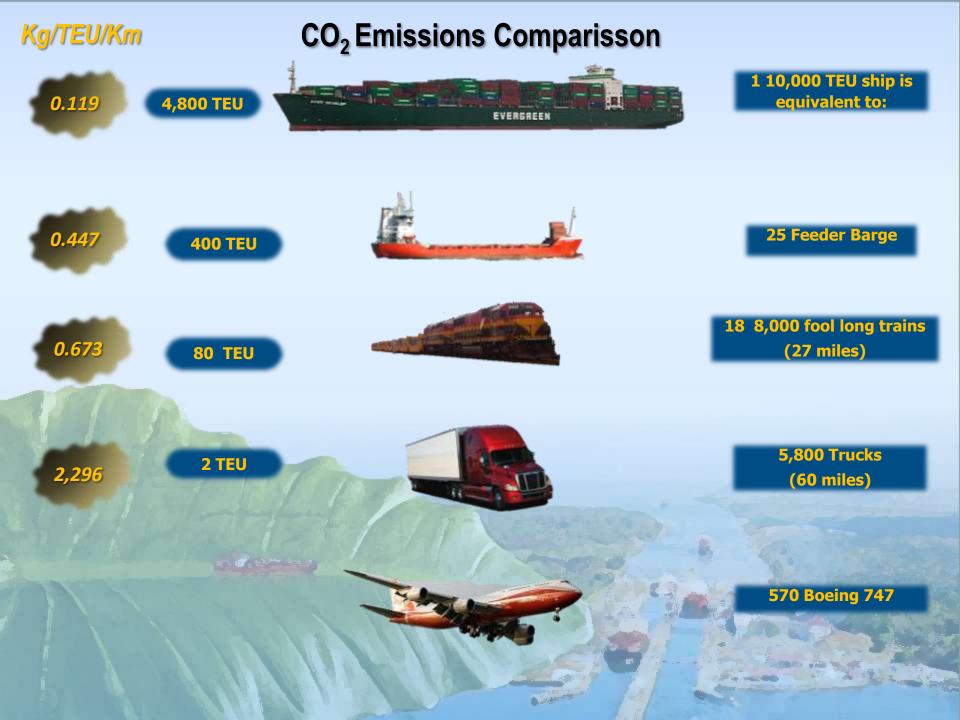
All-water route causes fewer emissions than other routes that combine transportation by land



Establish ACP as a carbon neutral organization



The ACP seeks to become a carbon neutral organization to fulfill its vision of being global leader in services for the maritime industry and sustainable development for the conservation of the Panama Canal Watershed



The Panama Canal in World Maritime Industry

Y A leader in the World Merchant Fleet: World's largest shipping registry

One of ten Council IMO Members with the largest interest in providing international shipping services

Maritime services to 6% of World Commerce

Panama Canal offers high standards of efficiency, safety and reliability

Panama is a Hub for global shipping and trade

Panama Canal challenges

- Growth in transit demand and the maritime industry trend toward the deployment of larger vessels
- Y Prevent saturation point to be reached, avoiding diversion of traffic to potentially longer alternative routes
- Y To continue offering the safest and cost and time effective service for the World's commerce
 - Remain a World leader in sustainable development and ensure its operations comply with highest environmental standards

The Green Route

The ACP has developed an innovative strategy to face the environmental challenges associated with the Panama Canal Expansion, the promotion of sustainable development activities in the Panama Canal Watershed and the reduction of emissions in the worldwide shipping industry

The Panama Canal Expansion Project will provide benefits to the international shipping industry, in terms of time and cost, as well as the CO2 emissions reductions in the planet

The all water route of the Panama Canal, with the sustainable management of its watershed, has been established as the Green Route of the world maritime commerce



Thanks for your attention