

Panama Canal, port deal could be blockbuster trade

By **GLENN KRAMPOTA** | **Posted: Thursday, September 15, 2011 2:00 am**

Any old port might work in a storm, but when megavessels thunder across the ocean, they need special accommodations once it's time to load and unload titanic-sized cargo. Shippers need facilities that can handle it.

Two entities, which both show an appetite for super-sizing, have found a perfect fit.

A Memorandum of Understanding now links Port Freeport and the Panama Canal Authority as partners. Officials said they hope the agreement will boost international traffic and create new business.

According to a news release about the Memorandum of Understanding, the canal authority and Port Freeport will partner to stimulate economic growth. Initiatives will include joint marketing efforts and information exchange.

The one-year deal can be extended by mutual agreement.

"This is a step toward gaining access to shipping companies that are looking for dock space and port facilities for some of their newer, larger ships," Port Commissioner John Hoss said.

The Panama Canal opened in 1914, in Central America's southernmost country. One hundred years later, a newer and wider canal is scheduled to open in 2014.

Port Freeport, meanwhile, has proposed a \$350 million project - awaiting approval from the U.S. Army Corps of Engineers - that would widen its channel from 400 to 600 feet and deepen it from an average of 40 to 45 feet to 55 feet. Though the permit process is a tedious one, port officials have said they expect work to be completed in 2016.

At that point, Hoss said, Port Freeport will have dredged a path to growth and prosperity, as its proximity to the deep water of the Gulf of Mexico will be a key factor in its favor. The port is just 3 miles from the deeper, open water.

"While there are larger facilities, we have good open-water access and our travel time is much, much shorter," Hoss said.

Canal authority Administrator/CEO Alberto Alemán Zubieta praised the deal that links the Pacific Ocean, Atlantic Ocean and Gulf of Mexico.

"The relationship we've established with Port Freeport will further our efforts to provide superior ocean access to accommodate the demand for international cargo through our region," Zubieta said.

The Memorandum of Understanding is an economic isthmus that opens a huge new avenue for revenue, business and jobs at Port Freeport. It also helps further establish this area as a player in global trade.

This and the port's aggressive improvement program are examples of how sometimes getting in a little deep water is the best thing that can happen.

Today's editorial was written by Glenn Krampota, features editor for The Facts.