



**Navigating the Panama Canal Transit Restrictions
An Overview of the Magellan Strait as an Alternative Route**
December 2023



Agenda - Overview of Magellan Strait (Alternative Route for Panama)

1. History & Background
2. Magellan Strait Geographical Capabilities
3. Magellan transit Activity years 2020 to YTD Nov 2023 (last 47 months)
 - 3.1 Overall Transit View (Year - Month)
 - 3.2 Transit Details by Kind of Ships
 - 3.3 Transit Details by Countries (Origin – Destination)
 - 3.4 Transit Details by Routes (Trade Lanes)
4. Transits Options
 - 5.1 Short passage 1 (compulsory): between Punta Arenas <-> Punta Dungeness (Posesion Bay)
 - 5.2 Short passage 2 (full): between Punta Dungeness (Posesion Bay) <-> Bahia Felix
 - 5.3 Long passage for ships calling in more than one port in Chile: between Ancud (1), Laitec (2) or any other northern Chilean Port <-> Punta Dungeness (3)
5. Inchcape Shipping Services Capabilities



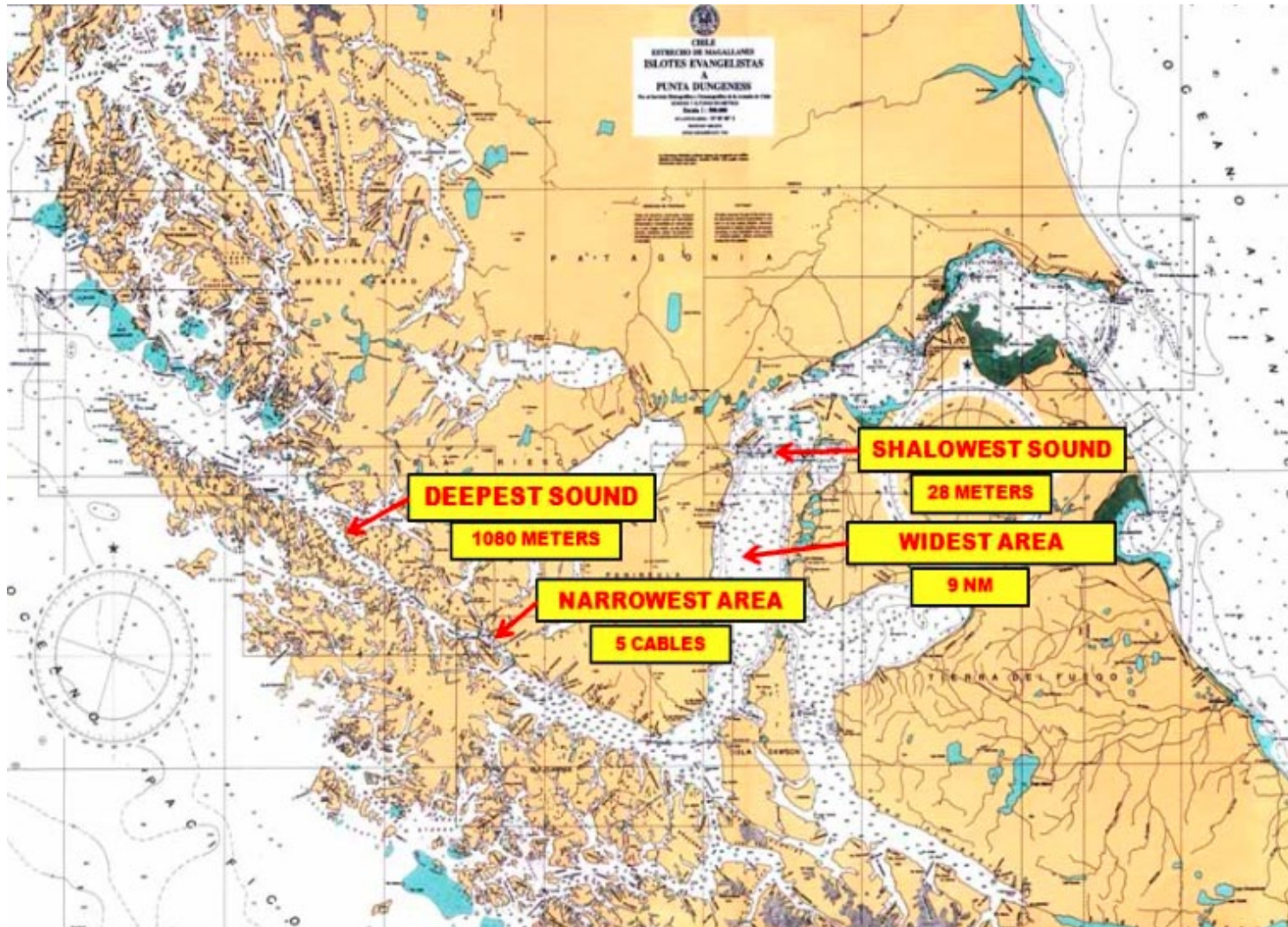
History & Background

- ▶ The Strait of Magellan is a navigable sea route in southern Chile that separates mainland South America to the north and Tierra del Fuego Island to the south. It is considered the most important natural passage between the Atlantic and Pacific oceans.
- ▶ The strait is approximately 330 miles long and 2-9 miles wide at its narrowest and widest points, respectively.
- ▶ The first European to navigate the strait was Ferdinand Magellan in 1520, a Portuguese sailing, whose expedition eventually completed the first circumnavigation of the world.
- ▶ In 1840, the Pacific Steam Navigation Company a British commercial shipping company that operated along the Pacific coast of South America and Northern Europe, became the first regular line to use steamships for commercial traffic in the strait.
- ▶ Chile took possession of the Strait of Magellan in 1843.
- ▶ Despite its tricky passageways and cold climate, the Strait of Magellan was an important route for steam and sailing ships travelling between the Atlantic and Pacific oceans until the completion of the Panama Canal in 1914, which shortened that passage by thousands of miles.
- ▶ The strait was considered a safer route than the often-rough Drake Passage, separating Cape Horn (the southern tip of South America) from Antarctica.
- ▶ In June 2004, the USS Ronald Reagan was the first nuclear powered aircraft carrier to navigate the strait.





Geographical Capabilities (Length & Depths)



East (Punta Dungeness – Posesion Bay) to the Western access (Evangelistas Islets): total length of 330 nautical miles.

The Navigation track in the Strait is generally deep and wide.

The shallowest depth is 28 meters, near Magdalena Island.

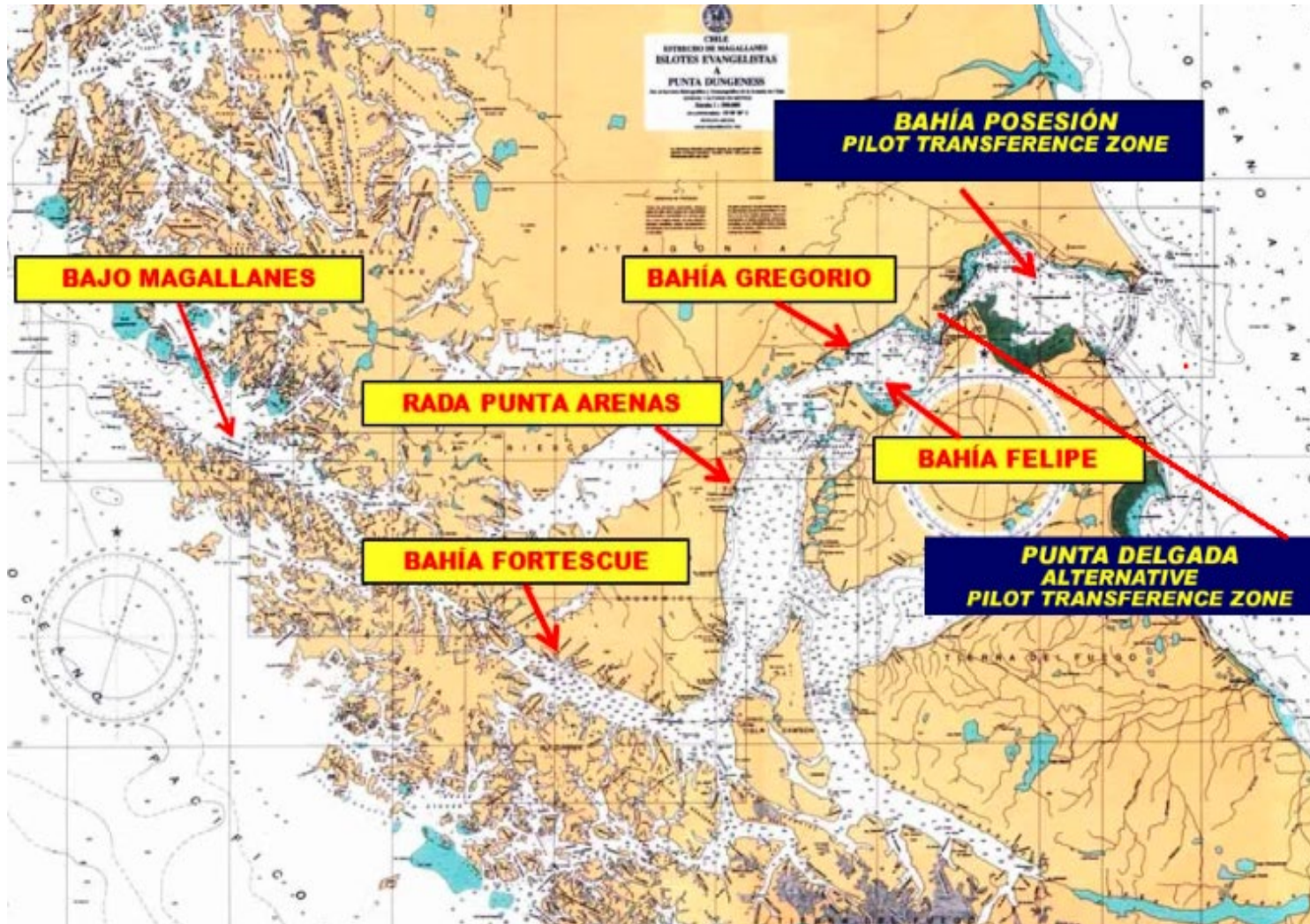
The biggest depth is 1,080 meters a beam of Cooper Key lighthouse.

The shortest distance to the coast is 5 cables abeam Crosstide Lighthouse and the greatest 9 miles abeam Puerto Porvenir.

The maximum allowed draught to sail the Strait is 70 feet or 21.3 meters.



Geographical Capabilities (Anchorage Areas)

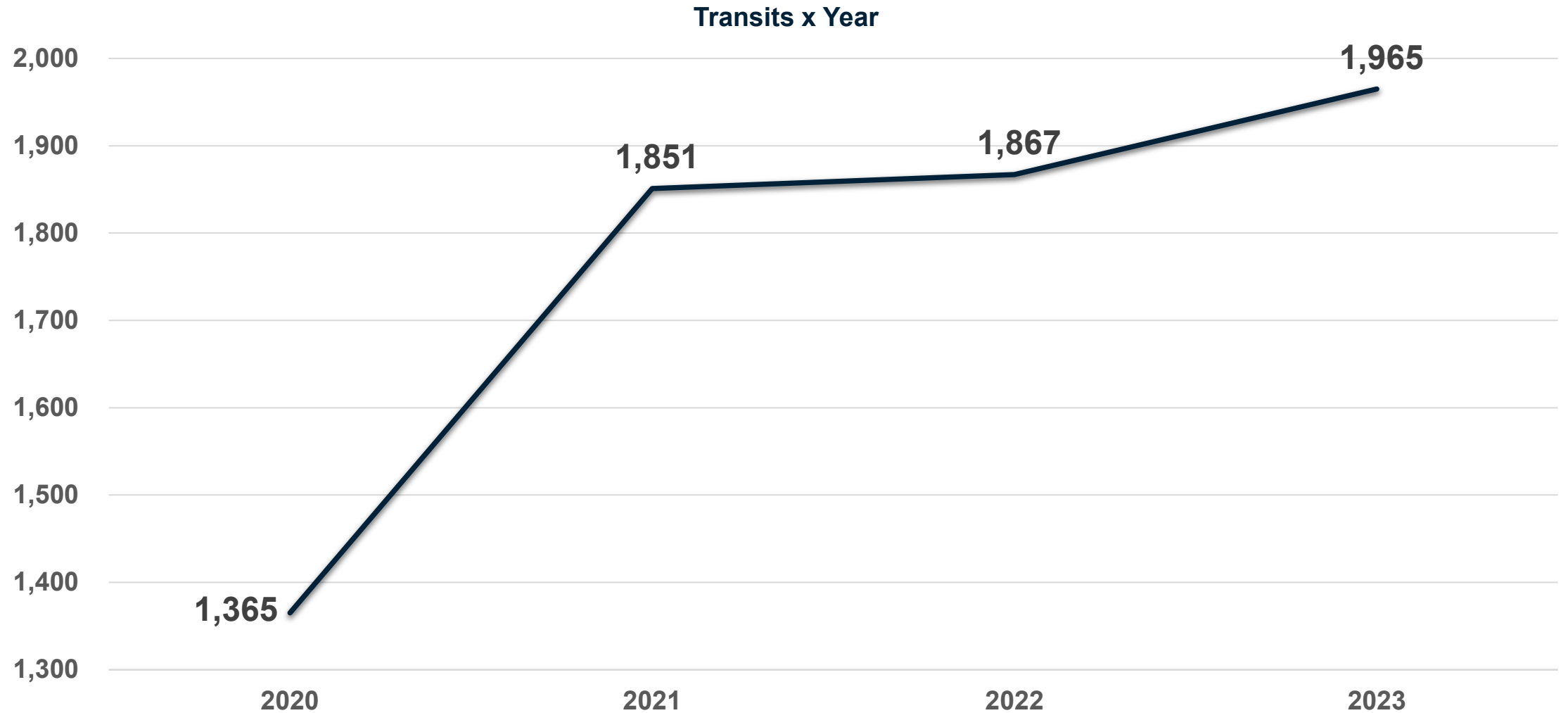


Emergency anchorages for large vessels are almost nonexistent in the Western area, although, in case of extreme need, approaches to Bajo Magallanes - near Felix Lighthouse - can be used for emergencies.

At the Eastern part, good anchorage areas exist at the Pilot Transference Zone, in Bahia Posesion, Gregorio and Felipe bays, between the First and Second Narrow, the Port of Punta Arenas and the Port of Fortescue in Paso Ingles vicinity

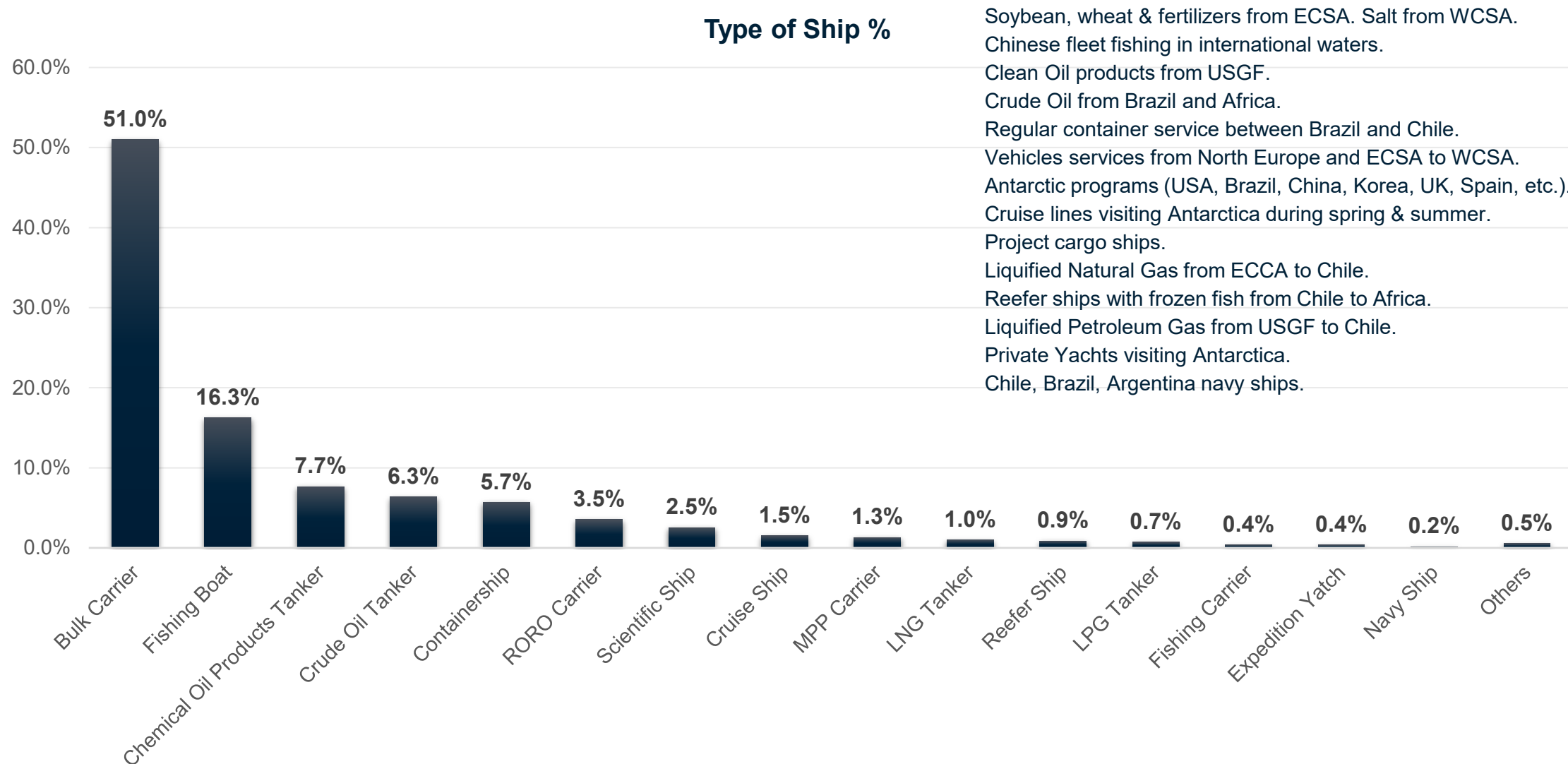


Overall Transit View (Year - Month)





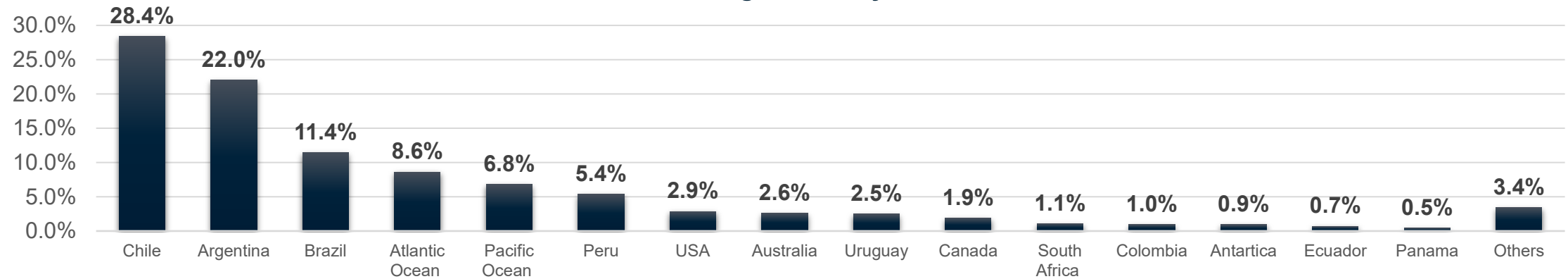
Transit Details by Kind of Ships



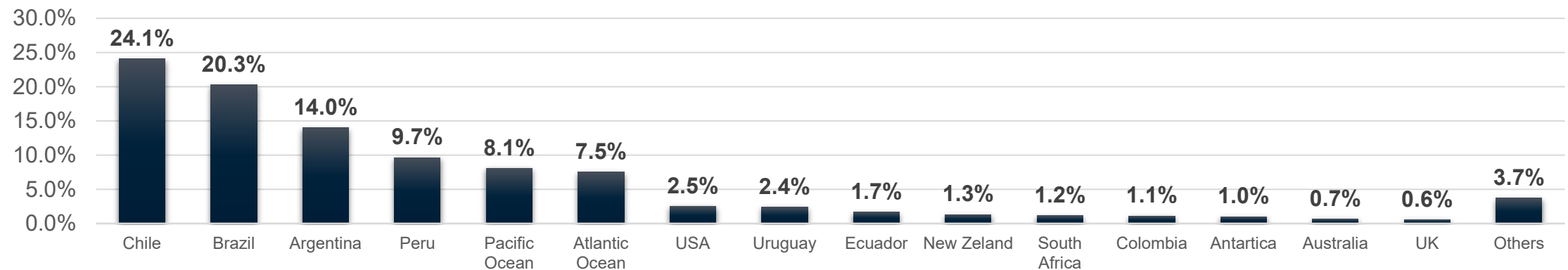


Transit Details by Countries (Origin – Destination)

Origin Country

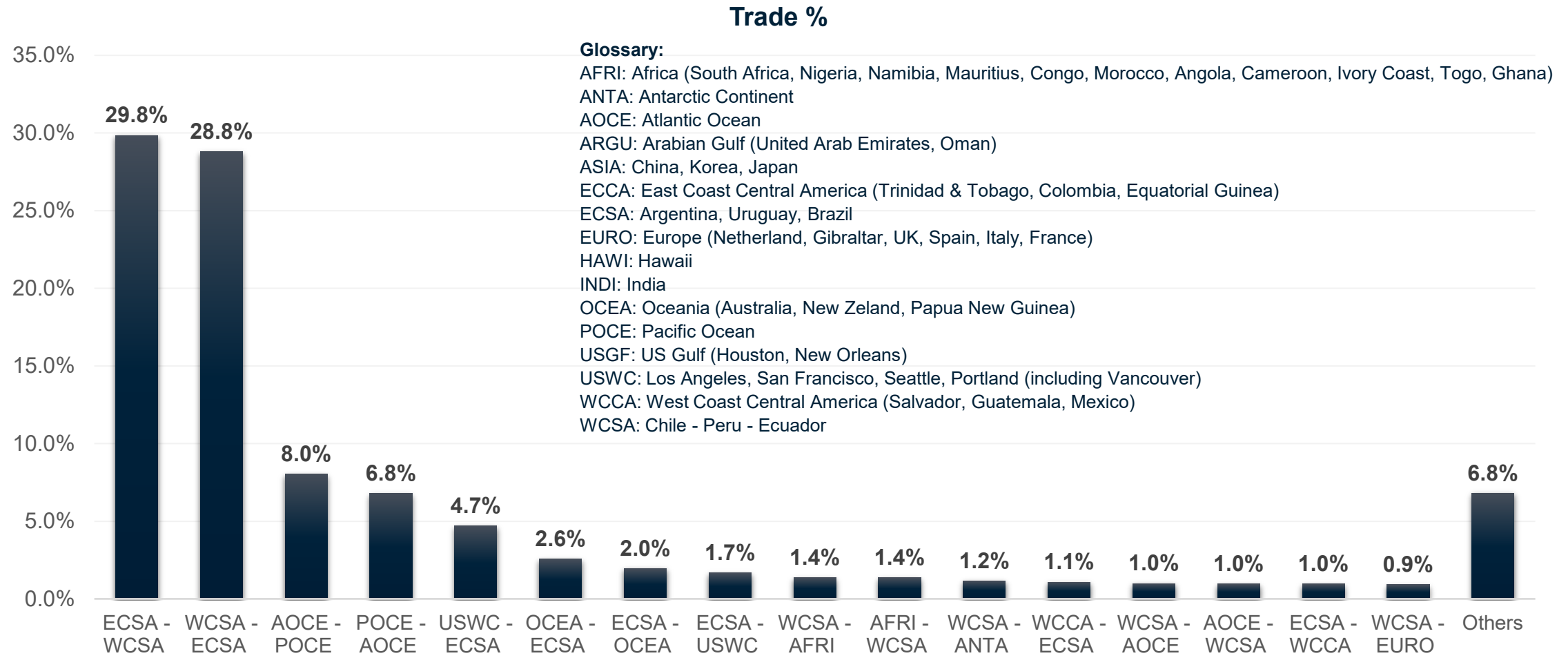


Destination Country





Transit Details by Routes (Trade Lanes)





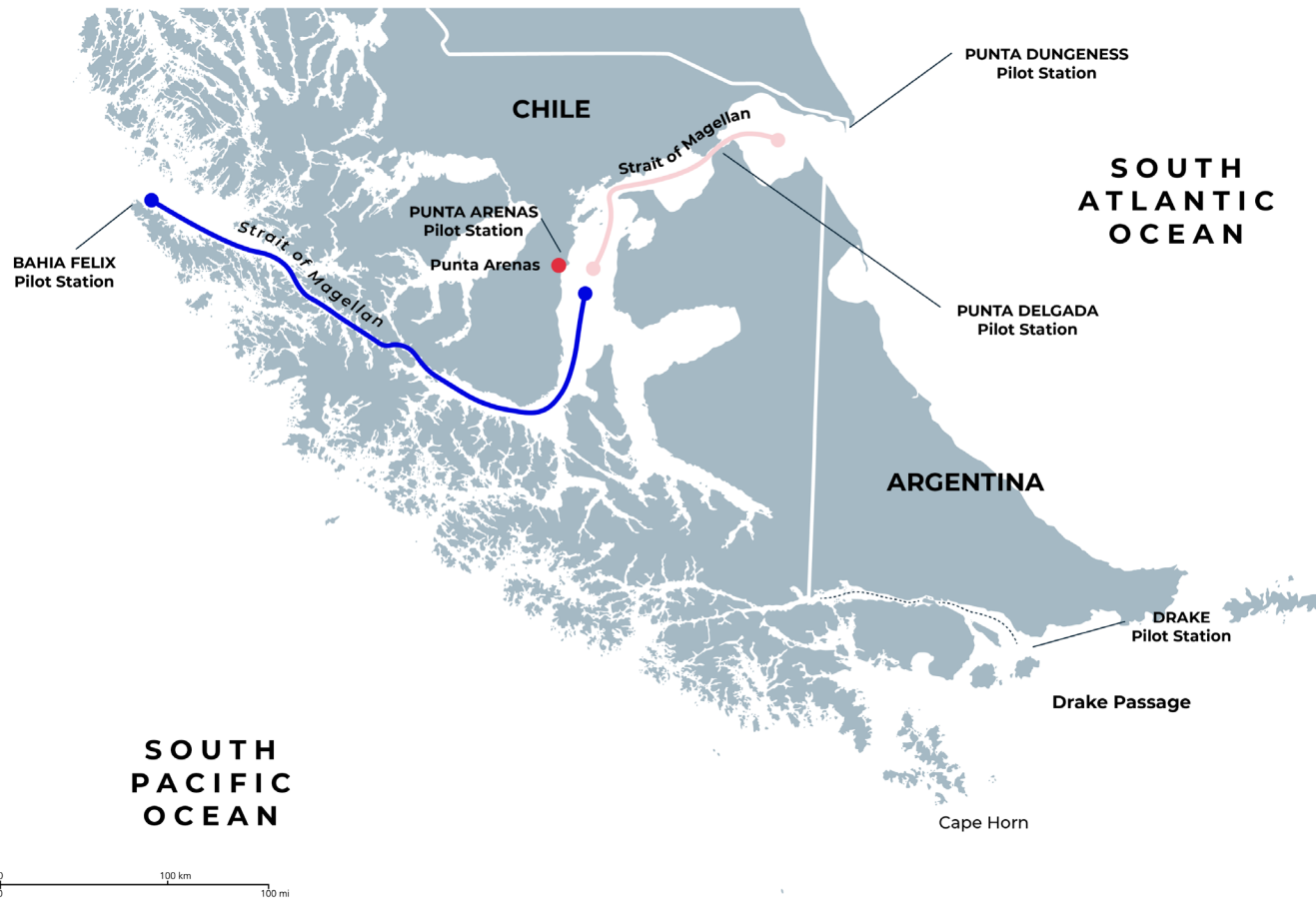
Transit 1: Punta Arenas - Punta Dungeness (Posesion Bay)



- ▶ Compulsory pilotage for any ship not calling in any other Chilean port.
- ▶ Embarking points of 1 Magellan Pilot: Posesion Bay and Punta Arenas, either for East Bound or West Bound passages.
- ▶ Prior advice of 48 hours to appoint 1 local (Punta Arenas based) Magellan Pilot.
- ▶ Only 1 local pilot is required in this transit option.
- ▶ Average transit time including 1 local pilot embarking & disembarking manoeuvres in Posesion and Punta Arenas: 7 hours.
- ▶ Pilots Boats service available:
 - ✓ (1) Posesion Bay: 3 units.
 - ✓ (2) Punta Arenas: 6 units.
- ▶ Compulsory charges (additional to Pilot Boat & Agency)
 - ✓ (1) Light Dues: US\$ 0.54 x GRT.
 - ✓ (2) Magellan Pilotage Charges (DGTM 034)
- ▶ Estimated PDA for 30,000 tons ship's GRT: US\$ 30,000 (All / In, including VAT of 19%).



Transit 2: Punta Dungeness (Posesion Bay) - Bahia Felix



- ▶ Additional leg on ship owner's decision for sailing assistance between Punta Arenas and Felix Bay.
- ▶ Embarking points of 2 Magellan Pilot: Posesion Bay and Felix Bay, either for East Bound or West Bound passages.
- ▶ Prior advice of 48 hours to appoint 2 local (Punta Arenas based) Magellan Pilots.
- ▶ 2 local pilots are required in this transit option.
- ▶ Average transit time including 2 local pilots embarking & disembarking manoeuvres in Posesion and Felix Bay: 16 hours.
- ▶ Pilots Boats service available:
 - ✓ (1) Posesion Bay: 3 units.
 - ✓ (2) Felix Bay: 1 unit.
- ▶ Compulsory charges (additional to Pilot Boats & Agency)
 - ✓ (1) Light Dues: US\$ 0.54 x GRT.
 - ✓ (2) Magellan Pilotage Charges (DGTM 034)
- ▶ Estimated PDA for 30,000 tons ship's GRT: US\$ 70,000 (All / In, including VAT of 19%)



Transit 3: Punta Dungeness (Posesion Bay) – Chilean Ports



- ▶ Compulsory pilotage for any ship calling in other Chilean port before or after transiting Magellan Strait, either on East Bound or West Bound Leg.
- ▶ Depending on ship's LOA, options are:
 - ✓ For ships up to 230 meters and 11.00 meters drafts, 2 pilots channels assistance is required between Ancud and Posesion Bay. Pilot boats available in Ancud: 3.
 - ✓ For ships with more 230 meters and 11.00 meters drafts, 2 pilots assistance is required between Laitec and Posesion Bay. Pilot Boats available in Laitec: 2.
 - ✓ Optionally, 2 channel pilots can embark or disembark to the ships to start or ends Magellan Transit in northern Chilean ports of San Vicente, San Antonio, Valparaiso or Quintero.
- ▶ Prior advise of 72 hours to appoint 2 Chilean Channel pilots (based in Valparaiso) .
- ▶ Compulsory charges (additional to Pilot Boats & Agency)
 - ✓ (1) Light Dues: US\$ 1.47 x GRT (voyage basis).
 - ✓ (2) Chilean Channels Pilotage Charges (DGTM 034)
- ▶ PDA for 30,000 tons ship's GRT: US\$ 35,000 (Ancud)
- ▶ PDA for 30,000 tons ship's GRT: US\$ 36,000 (Laitec)
- ▶ PDA for 30,000 tons ship's GRT: US\$ 38,000 (Valparaiso) (All / In, including VAT of 19%)



Inchcape Shipping Services Capabilities

Value Provided through

- ▶ Inchcape covers all ports in Chile through its network of 12 own offices and 56 dedicated employees.
- ▶ 24/7 support is provided to customers.
- ▶ Operates with strict governance and proven compliance.
- ▶ Close relationships with local port authorities.
- ▶ Vetted service providers and partners.
- ▶ Defined QMS and QHSSE ensured through regular audits with disaster recovery and business continuity plans in place which always ensures safety and a high level of service.
- ▶ Experience handling all vessel types: crude, product and LNG tankers, container ships, break bulk and general cargo carriers, superyachts and cruise ships, survey vessels, tugs, barges and dredgers

Email:

isschile@iss-shipping.com
smbx.puntaarenas@iss-shipping.com

Call:

+56996404638
+56994369974

Our Services

- | | | |
|---------------------------|---|---|
| ▶ Magellan Strait Transit | ▶ Marine Survey and Inspection | ▶ Cruise Call Management |
| ▶ Full Port Agency | ▶ Liner Agency | ▶ Stevedoring |
| ▶ Protective Agency | ▶ Cash to Master | ▶ Back-office documentation |
| ▶ Bunker calls | ▶ Crew Logistics Services | ▶ Port Captaincy |
| ▶ Docking Agency | ▶ Offshore visual support for ship's drafts reading | ▶ Warehousing |
| ▶ Husbandry Services | ▶ Offshore and wreck removal service support | ▶ M&R and Spare Parts Delivery to ships |
| ▶ Customs Clearance | | ▶ Ship provisioning (ship chandlers) |
| ▶ P&I Matters | | |

THANK YOU

Questions?

