

Panama Canal to earn US\$3.1 billion a year, less than expected
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By Elizabeth Zachariah

A widened Panama Canal is expected to bring in some US\$3.1 billion (RM10 billion) per year, considerably less than earlier estimates, the official responsible for the waterway told AFP.

Canal administrator Jorge Quijano told AFP in an interview that receipts from the Panama Canal could reach US\$3.1 billion by 2025, triple their current amount.

But the figure is less than the roughly US\$5 billion that had been forecast after improvements to the century-old canal, seen as one of the world's engineering marvels.

The massive construction project was to have been completed this year, but delays and cost overruns have pushed back the schedule to early 2016.

Quijano, who said he was being "conservative" with his estimates, blamed a shaky world economic climate for the lowered revenue projections.

"The world economy is not quite solid enough," he told AFP.

The canal currently handles about five percent of the world's maritime trade.

The construction to add wider locks and channels capable of handling much larger container ships is one of the world's most ambitious civil engineering projects.

The 80-kilometer long canal, was completed by US interests in 1914 to provide a shorter, safer route between the Atlantic and Pacific.

In 1999, ownership of the canal reverted from the United States to Panama.
– AFP, May 3, 2014.

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