

# Panama denies US claims over free canal passages

11 hours ago **Malu Cursino**  
BBC News

Watch: Marco Rubio visits the Panama Canal on first trip as a diplomat

Panama has denied making changes to allow US government vessels to transit the Panama Canal for free, following White House claims it had agreed to such a move.

The State Department said in a statement on X that its government vessels "can now transit the Panama Canal without charge fees, saving the US government millions of dollars a year".

Responding to the comments, the Panama Canal Authority (ACP) said it was "empowered to set tolls and other fees for transiting the canal," adding that it had "not made any adjustments to them".

US President Donald Trump has repeatedly voiced his desire to retake control of the waterway, which is key to global trade.

The 51-mile (82km) Panama Canal cuts across the Central American nation and is the main link between the Atlantic and Pacific oceans.

Secretary of State Marco Rubio, who has been on a visit to Latin American countries this week, demanded that Panama make "immediate changes" to what he calls the "influence and control" of China over the canal.

America's top diplomat said Panama had to act or the US would take necessary measures to protect its rights under a treaty between the two countries.

During a visit to the country, Rubio met Panama's President José Raúl Mulino, as well as the canal's administrator, Ricaurte Vásquez Morales.

The ACP said after his visit that it had conveyed its intention to work with the US navy to optimise transit priority for its vessels through the canal.

This commitment for dialogue with Washington remained, it said in a separate statement on Wednesday.

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US vessels make up a significant proportion of traffic in the canal. In 2024, 52% of transits through the waterway had ports of origin or destination in the United States, according to the canal's authorities.

Up to 14,000 ships use the canal each year to avoid a lengthy and costly trip around the tip of South America.

In his inaugural speech, President Trump said he planned to "take back" the canal, alleging that China was operating it and Panama had "broken" a promise to remain neutral.

The plan was strongly rejected by Mulino, who said the key trade route "is and will remain" in the country's hands.

He also rejected Trump's allegations about China's influence, saying there is "no presence of any nation in the world that interferes with our administration".

Trump recently reiterated his claim. Despite saying earlier this week he was "not happy" with the situation, he acknowledged that Panama had "agreed to certain things". Mulino has said his country will not continue its membership in China's infrastructure-building programme, the Belt and Road Initiative.

The US built the canal in the early 20th Century but, after years of protest, President Jimmy Carter signed a treaty with Panama in 1977 to gradually hand back control of the waterway, which Trump has branded "a big mistake".

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