



## Panama Canal Authority

### Communication on Progress

• • The Global Compact Principles • • • •

# **Global Compact Communication on Progress**

## **Panama Canal Authority (ACP)**

### **BACKGROUND**

The Panama Canal Authority (ACP) is the autonomous agency of the Government of Panama in charge of managing, operating, and maintaining the Panama Canal. The operation of the Panama Canal Authority is based on its organic law and the regulations approved by its Board of Directors. Since Panama assumed control of the Canal in 1999, the ACP has changed its business philosophy from a profit-neutral utility to a market-oriented entity. Since then, it has raised the performance bar by breaking several operational and efficiency records, and integrating corporate social responsibility (CSR) into every facet of its operations. The ACP became a signatory of the United Nations Global Compact in December of 2002.

### **ADVANCING GLOBAL COMPACT PRINCIPLE 6: ELIMINATE DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.**

The Panama Canal Authority (ACP) relies on a team of some 9000 employees to maintain the waterway operating safely, efficiently and continuously throughout the year. The foundation of the ACP is rooted on a personnel system based on merit and specific regulations that promote and enforce an equal employment opportunity program that prevents all forms of discrimination.

Given that the human resource is the most important asset of the Panama Canal, the company strives to ensure a working environment that is healthy, safe and conducive to growth and productivity. Its work constantly seeks to identify areas in which there is room for personal and professional advancement for ACP employees. This way, the Canal builds upon its vision to become a “model of excellence, integrity and transparency in our conduct; committed to the integral development of our human resource team.”

### **SAFETY AND OCCUPATIONAL HEALTH**

The safety and occupational health program not only covers ACP employees, but also contractors producing goods and services within the Canal. The program's goal is to educate and to prevent injuries, labor accidents, diseases and other common situations that could halt productivity and job performance. To this end, each employee undergoes periodic physical evaluation according to the occupational risk associated with his/her job. Furthermore, the ACP offers rehabilitation and assistance programs for physical and psychological conditions and has in place an efficient first aid program to assist employees at their workplace.

Since the signing of the Global Compact on December 11, 2002, the Panama Canal Authority has increased its awareness regarding the promotion of a safe environment, through intensive in situ educational campaigns and through the communications media available (TV programs, corporate newspaper, Internet and intranet). From fiscal year 1999 to 2002, for example, the

incidence rate of job accidents dropped 28% (personal injuries or occupational illnesses for 100 FTE under the same working conditions).

Other actions taken by the ACP to reduce the job-related-accident rate are: Inspections to vessels carrying dangerous cargo to identify potential situations that could affect employees on board transiting vessels; close supervision of compliance with regard to safety rules and regulations, particularly on projects and services performed by contracted personnel; a systemic assessment of identified risks in the job area to implement new risk controls or improve the existing measures.

## **EMPLOYEE ASSISTANCE PROGRAM**

The ACP has a specialized team conducting periodic studies of organizational climate to measure employees' perception of the job environment in aspects such as, performance and interpersonal relations, both with peers and supervisors. The analysis of the results has yielded important correlation factors with low morale and affliction. To correct the deficiencies exposed, the Department of Human Resources has placed increased attention on the emotional problems affecting employees health, such as stress; poor eating habits; (gambling; and alcohol, cigarettes, medicines and other controlled substances addiction. -- The employee assistance program includes counseling for marital and family problems and continuing education to prevent domestic violence.

## **TRAINING AND DEVELOPMENT**

The Panama Canal offers an array of training opportunities for its employees' personal and professional growth. Permanent and continuing training programs are geared towards increasing productivity, developing skills and abilities, reaching personal goals, and applying safety and occupational health standards, rules, and regulations.

Since 2002, technical employees are benefiting from the opportunity to enroll in a multidisciplinary program to learn skills for different crafts, thus enabling them to perform at different positions. With this program, employees can broaden their area of expertise, thus expanding their job opportunities. Some examples of employees in training are electrician mechanics, welders, or crane operators. This program benefits primarily the individual, thus broadening his/her opportunities for career advancement, and at the same time provides the ACP with more flexibility for recruitment and placement.