

Hutchison seeks \$2 billion in damages from Panama after terminal deal canceled



The Panama Maritime Authority said operations at Canal were returning to normal after Maersk's APM Terminals and Mediterranean Shipping Co.'s Terminal Investments Limited (TiL) were appointed temporary operators of the Balboa and Cristóbal terminals, respectively. Photo credit: Dennis MacDonald / Shutterstock.com.

[Keith Wallis, Asia Special Correspondent](#) | Mar 9, 2026, 12:17 PM EDT

Panama Ports Company (PPC) is seeking more than \$2 billion in damages in its international arbitration claim against Panama after the government canceled its long-held operating concession and seized control of the Balboa and Cristóbal marine terminals last month.

PPC, a subsidiary of Hong Kong-headquartered conglomerate CK Hutchison Holdings, said it is also taking legal action to recover property, equipment and documents removed when the government took control of the terminals on Feb. 23.

Action is being taken against both the Panamanian government and the Panama Maritime Authority (PMA).

The details of the arbitration claim were announced in a PPC statement Friday relayed by Hutchison, which has a 90% stake in PPC. The Panama company had its 28-year concession to manage and operate the Balboa and Cristóbal terminals nullified by Panama's Supreme Court on Jan 29.

Operations returning to normal

Separately, the PMA confirmed operations at the terminals are returning to normal after Maersk's APM Terminals and Mediterranean Shipping Co.'s Terminal Investments Limited (TiL) were appointed temporary operators of Balboa and Cristóbal, respectively. Both assignments are due to last 18 months.

Minister for Canal Affairs José Ramón Icaza said new operating systems were online and being tested, while Balboa is accepting export cargo, empty containers and rolling stock.

Icaza said about 526 former PPC staff out of a total workforce of 1,200 at both terminals had been replaced, over 200 at Balboa and 326 at Cristóbal. The government had also reached new agreements with two out of four labor unions at the ports.

Hutchison's operation of the two ports through PPC had been the focus of a highly charged geopolitical spat between the Trump administration and China for more than a year.

That was highlighted again during President Donald Trump's Shield of Americas summit on Saturday in Miami with 12 Latin American leaders, including Panama President José Raúl Mulino.

Trump said the US would "not allow hostile foreign influence to establish itself in this hemisphere, and that includes the Panama Canal."

Closer commercial relationships with US companies were highlighted in a separate meeting Saturday between Mulino and US Secretary of State Marco Rubio.

"US companies will begin to have greater participation in bidding processes in Panama in this new era of relations with the United States," Rubio said, without specifically mentioning the awarding of new terminal concessions for Balboa and Cristóbal.

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