



Panama says US 'spreading lies' over free canal passage



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The Panama Canal is a 51-mile (82km) passage that links the Atlantic and Pacific oceans across the Central American country.

All vessels are required to pay a fee, based on size and type, for crossing the waterway but US ships have priority of passage.

In a post on X on Wednesday, the State Department wrote: "U.S. government vessels can now transit the Panama Canal without charge fees, saving the U.S. government millions of dollars a year."

Mulino reacted to the statement by saying he rejects "this method of managing bilateral relations on the basis of lies and falsehoods."

He said he asked his ambassador in Washington to take "firm steps" to reject the claim, calling it "simply and plainly intolerable."

Mulino added that US government vessels, including navy vessels, paid "\$6-7m [£4.8-5.6m] a year" for the right of passage.

"It's not as if the canal toll is breaking the economy of the United States," he added. The Panama Canal Authority (ACP) also made a statement saying it had "not made any adjustment" to tolls, adding that it was open to establishing a dialogue.

After Rubio and Mulino's meeting, Panama announced it would not renew its membership of China's infrastructure-building programme, known as the Belt and Road Initiative.

Rubio welcomed this move, calling it "a great step forward", though Panama denied that the decision had been made at the request of the US.

Trump has expressed fears that China could close the canal to the US in the event of a crisis - something Panama and China have strongly denied.

On Wednesday, China's Foreign Affairs spokesman, Lin Jian, said its partnership with Panama was yielding "fruitful results" and urged

the country to "resist external interferences." Rubio met the canal's administrator, Ricaurte Vásquez Morales alongside Mulino on Sunday. America's top diplomat demanded that Panama make "immediate changes" to China's "influence and control" over the waterway.

This echoed Trump's inaugural address, where he stated that the canal was being operated by China and he wanted to "take it back."

Mulino has denied these allegations and rejected the plan, saying that the trade route "is and will remain" in Panama's hands.

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. Trump has called this "a big mistake" since returning to office.

US Secretary of State Marco Rubio has been on a tour of Central America to discuss migration and drug trafficking in the region.

Rubio's statement responding to Mulino's accusation of US "lies" was given at his last stop, the Dominican Republic.

