



Notice to Shippers

Date:
28/10/2019

Subject:

IMO 2020: IMPLEMENTATION OF A LOW SULPHUR ADDITIONAL (LSA) AND CHANGE OF THE REFERENCE FUEL FOR FLOATING BUNKER SURCHARGES (BUS)

Dear valued Clients,

From 1st January 2020 the new IMO 2020 Low Sulphur Regulation (see our last Notice to Shippers dated 2/9/19 on this subject) will take effect.

To comply with this regulation, it is necessary for vessels to take already the compliant fuel onboard before they start their voyages before the 1st January. This means we will be incurring substantial additional costs on voyages already beginning in November and December 2019.

Therefore, as from 1st December 2019 we will be applying a Low Sulphur Additional (LSA) on all containers loaded in December on all DAL services. This charge will be trade specific and will differentiate between dry and reefer containers. The level of the LSA will be announced in the first week of November and will be applied in addition on all valid contracts irrespective of duration. The reference fuel for the floating (monthly valid) Bunker Surcharges (BUS) for the month of December to be announced at the beginning of November will continue to be High Sulphur Fuel Oil (HSFO).

From the 1st January the reference fuel for all DAL floating Bunker Surcharges will change to Very Low Sulphur Fuel Oil (VLSFO) and the applicable BUS will be announced at the beginning of December.

For those trades where there are contracts with short term validities and or no floating BUS is applicable a Low Sulphur Additional (LSA) will be applied which will reflect the additional cost resulting from the price differential between High Sulphur and Very Low Sulphur Fuel Oil.

Please do not hesitate to contact your local DAL representation if you have any questions on the impact on your business of the IMO 2020 regulation.

Kind Regards,
DAL Deutsche Afrika -Linien GmbH & Co. KG.

Trades Management Hamburg