



## Emergency Fuel Adjustment Factor (EFAF)

Dear Customer,

29 May 2018

Over recent months the cost of bunker fuel has accelerated and now stands **45%** above the 2017 average, reaching a level of USD 440 per ton (Basis IFO 380 / Rotterdam).

This significant and sudden upward development in our single largest cost component now means it is no longer possible for Hamburg Süd to sustain our services without an adjustment to fuel cost recovery levels.

As a result, Hamburg Süd sees no other option but to introduce an **Emergency Fuel Adjustment Factor (EFAF)**, as a necessary step to ensure a continued, sustainable and quality service to our customers. Key details:

- The EFAF will be applicable on all cargo globally except for export shipments from China.
  - Effective dates : **1st June 2018** non-FMC corridors(i)  
**1st July 2018** FMC corridors(ii) - trades to/from the USA
- (i) shipped on board date  
(ii) date of receipt of cargo

Shipments to/from Australia , New Zealand and the South Pacific Islands *	20' DRY	40' DRY	20' REEFER	40' REEFER
All trades except <u>Trans-Tasman &amp; AU/NZ to South Pacific</u>	USD 60	USD 120	USD 90	USD 180
<u>Trans-Tasman ** &amp; AU/NZ to South Pacific</u>	USD 30	USD 60	USD 45	USD 90

\* excluding exports from China

\*\* including coastal cargo

○ Tariff adjustment mechanism:

The EFAF tariff outlined above is based on a bunker price of USD 440 (Basis: IFO380 / Rotterdam). The EFAF tariff is subject to change as per the below trigger points:

- Should the bunker price (IFO380 / Rotterdam) increase to a level of USD 530 per tonne, then the EFAF tariffs will be multiplied by a factor of 2x.
- Should the bunker price (IFO380 / Rotterdam) decrease to a level of USD 370 per tonne, then the EFAF surcharge will be withdrawn.

**Contact us**

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Sydney +61-2 9373 1000 Melbourne +61-3 9628 3833 Brisbane +61-7 3834 0400 Adelaide +61-8 8216 3100 Fremantle +61-8 9335 9599



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For your reference and in compliance with EU regulations we have included below the rates including the EFAF on a sample corridor ex Australia to Europe valid from 1st June 2018 until further notice:

**Australia to North Europe trade:** from Australia Base Ports<sup>(1)</sup> to North Europe Base Ports<sup>(2)</sup> as follows:

- US\$ 820 per 20' standard container
- US\$ 1,240 per 40' standard container
- US\$ 1,240 per 40' high cube container

The above amounts refer to the base rates, and are subject to:

- BAF and EFAF
- LSS (ECA), Security related charges and surcharges (respectively applicable at the Port of origin and the Port of Destination), Terminal Handling Charges (respectively applicable at the Port of Origin and the Port of Destination), additional charges and surcharges reflecting foreseeable high demand (such as Peak Season Surcharges), and all other applicable surcharges, such as local charges and contingency charges, valid at the time of shipment.
- Above rates are applicable for all cargo on board vessels with ETD 1st June 2018 onwards and until further notice. Other corridors, commodities and container types (including reefers) that are not listed above may also be subject to increases.

For all rate related information please visit the Hamburg Süd Line website under the following link:

[https://ecom.hamburgsud.com/ecom/en/ecommerce\\_portal/tariffs\\_and\\_surcharges/gri\\_announcement/griannouncement.xhtml?lang=EN](https://ecom.hamburgsud.com/ecom/en/ecommerce_portal/tariffs_and_surcharges/gri_announcement/griannouncement.xhtml?lang=EN)

We thank you for your understanding in this challenging situation and your continuous support of our services.

If you have any questions, please feel free to reach out to your local sales or customer service representative. You will find contact details of our local offices on [www.hamburgsud-line.com](http://www.hamburgsud-line.com).

1. Australia Base Ports : Melbourne and Sydney

2 European Base Ports : London Gateway, Antwerp, Hamburg, Le Havre & Rotterdam

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