



Date December 21st, 2023

Subject **Customer Advisory: Red Sea Situation – ECRS: Emergency Cost Recovery Surcharge**

Dear Customer,

What is the background?

Due to recent developments in the Red Sea, ocean carriers announced rate increases for January 1, 2024. Additional increases are to be expected if the current issue persists. With transit times extended by 10-15 days per direction due to rerouting around the Cape of Good Hope, carrier's costs for fuel and crew will increase. This situation is expected to cause an industry-wide supply and demand imbalance, resulting in capacity and equipment challenges.

ECRS - Emergency Cost Recovery Surcharge:

As a result of the conflict in the Red Sea that has caused most ships to be diverted or docked in safe waters, we are implementing an Emergency Costs Recovers Surcharge (ECRS) to cover for the increased rates from ocean carriers and the increasing costs for shipping and logistic activities.

What is the impact for you?

The surcharge will be implemented as of January 1st, 2024 and will be invoiced to the freight paying party in addition to the agreed ocean freight rate. As the situation is dynamic, we will be updating the surcharge and publishing updates separately [on our website](#). You can access the first surcharge overview directly [here](#).

What is DHL doing to help you?

We continue to monitor the development, track your shipments and supply most actual data via mydhli.com. We continue to try to secure space, empty containers and uplift for our customers via our multi-carrier program.

With our alternative solutions [DHL Multimodal Ocean Express](#), [DHL China Rail](#) and [China Road](#) we are able to offer you fast and reliable options for your urgent FCL & LCL cargo moving between Asia and Europe.

Please contact your local DHL Global Forwarding Sales or Customer Service representative if you are interested in these solutions.

We appreciate your continued support and hope for your understanding.

Kind regards

DHL Global Forwarding