



International
Chamber of Shipping

Shaping the Future of Shipping

Walsingham House
35 Seething Lane
London
EC3N 4AH
Tel +44 20 7090 1460

Adm. Osama Rabie
Chairman and Managing Director
Suez Canal Authority
Irshad Building, 7th floor
Ismailia, 41515
Arab Republic of Egypt

30 October 2023

Dear Admiral Rabie,

**GLOBAL SHIPPING INDUSTRY CONCERNS REGARDING THE SUEZ CANAL
AUTHORITY ANNOUNCEMENT FOR AN INCREASE TO TRANSIT DUES
APPLICABLE FROM 15 JANUARY 2024**

First, please allow us to take this opportunity to reiterate our appreciation for the relationship forged between industry and the SCA during our latest visit to the SCA in February of this year. We are pleased that this ongoing communication, strengthened by the Memorandum of Understanding between our organisations, affords us the opportunity to communicate our concerns with the SCA and, thus, enhance our mutually beneficial dialogue. Considering the above, we are writing to you to express concern, as well as seek clarification, about the recent announcement made by the Suez Canal Authority on Monday 16 October regarding the increase of 5% and 15% to transit dues for vessels transiting the Suez Canal.

We understand that a 15% increase will only be applicable to Crude Oil Tankers, Petroleum Product Tankers, Liquefied Petroleum Gas (LPG) Carriers, Liquefied Natural Gas (LNG) Carriers, Containerships, Vehicles Carriers, Cruise Ships, Special Floating Units, Chemical Tankers and other liquid bulk tankers while the 5% increase will apply to all other vessels, including Dry Bulk Vessels, General Cargo Vessels and Roll-On/Roll-Off (RO/RO) Vessels.

Taking the above into account, we would kindly like to ask the SCA for clarification on the rationale behind the new transit dues increases, the methodology used to determine the percentage increase as well as the rationale behind different percentages representing different segments of the shipping industry. We are confident that having a better understanding of the calculations used to reach these percentages will allow shipping companies to have as much information as possible

to pass on to their customers as well as prepare them for any potential future price changes.

In addition to the already mentioned, we would like to convey appreciation for allowing a three-month notice period in advance before implementing this increase. However, as per the discussions carried out in our visit in February, please allow us to reiterate the importance for the industry of receiving notice periods of at least six months, to allow sufficient time for shipping companies to adjust to the changes without causing them significant challenges in the process. For that reason, ICS would like to encourage the SCA to consider an extension of an additional three months in the notice period to mitigate any issues for shipping companies and their customers when respecting the increase being made.

Please allow us to thank you once more for your continued cooperation and communication on this matter, which is of utmost concern to our membership of national shipowner associations.

We further remain at your disposal for a virtual meeting to discuss this matter should this be of greater convenience to you and your office.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Guy Platten', with a horizontal line underneath it.

Guy Platten
Secretary General
ICS

Copy to:

Mr Elsayed Abou EL Fetouh Elsayed
Suez Canal Authority