

Low water on the Rhine River and tributaries – situation critical

CUSTOMER ADVISORY

Hamburg, 05th November 2018

DE-2018-11-006

Dear valued customer,

as was to be expected, the “wave” caused by the rainfall is flowing down the Rhine river and changing drafts rapidly.

The forecast however remains grim as no further “real” rainfall has been predicted, and indeed water levels in the Upper and Middle Rhine are falling again and by next week also Koln and Duisburg are expected to worsen again.

As result, the Low water surcharges applicable as from 2nd November.2018 are detailed as per below. The Rhine river remains physically split in 3 parts. Each with its own surcharges.

These surcharges only apply to barge, or barge-road transports both Pre and On-carriage from or to the ports of Antwerp and Rotterdam to Germany, France and Switzerland via the Rhine river.

At the measuring point Kaub, we now have a draft of between 51 cm and 60cm.

Low water surcharge Euro 320, - / 20 and 425 / 40ft is to be applied for transport performed by barge via the following Terminals:

Mainz / Ginsheim-Gustavsburg, Frankfurt am Main, Stuttgart, Trier, Mannheim, Germersheim, Woerth am Rhein, Karlsruhe, Strasbourg, Kehl, Weil am Rhein, Basel

At the measuring point “Koln” we now have a draft of between 106cm and 125m.

Low water surcharge Euro 95, - / 20 and 115, - / 40ft is to be applied for transport performed by barge via the following Terminals:

Koln, Bonn, Andernach, Koblenz

At the measuring point “Duisburg Ruhrort” we now have a draft of between 181cm and 190cm.

Low water surcharge Euro 90, - / 20 and 110, - / 40ft is to be applied for transport performed by barge via the following Terminals:

Emmerich, Wesel/Emmelsum, Duisburg, Neuss

The situation remains stable on the IJssel river in the Netherlands, surcharge remain unchanged.
For all transport performed via terminal **HENGELO** on the river IJssel; the following surcharges are to be applied with immediate effect.

20ft Euro 30,-

40ft Euro 60,-

45ft Euro 75,-

The river Waal is also showing the first signs of falling water levels, however still no surcharges are applicable till date.

The low water situation is a natural phenomenon that cannot be predicted, neither the severity nor the duration, and is as such considered "**Force Majeure**".

The low water surcharge is to be recovered from the cargo interests without fail.

As a result of this extreme situation, all transport modes (truck, rail and barge) are totally congested and neither timely organization of the transport for import nor reaching closings in the ports of Antwerp and Rotterdam can be guaranteed any longer.

Furthermore, all cost arising from this event such as demurrage/detention, storage (both in the ports for import and in the inland for export) are for account and responsibility of the cargo.

We will try to evacuate as many containers as possible that are presently being blocked, both import and export taking advantage of this temporary increase in water levels. We fear however that without substantial downpour over days, even weeks. This situation will deteriorate again rapidly.

We as MSC have the advantage of operating dedicated MSC Shuttle trains into the worst affected areas, **where we are deploying a weekly capacity of 1564 TEU per week both on import and export**, which our main competitors cannot (they have to rely completely on commercial set-ups which are at breaking point). Our shuttles are operating at full capacity, especially on the export leg, which means that, unfortunately, also here delays can occur and timely reaching of closing for export cargo can no longer be guaranteed.

We are still accepting bookings and able to move them but subject to space and equipment availability only. This for ALL clients INCLUDING CONTRACT CLIENTS.

Import containers can still be accepted on our shuttle to

Frankfurt am Main, Germersheim, Woerth am Rhein

These terminals are located in the worst affected areas and offer you, under the present circumstances, a unique selling point with interested clients.

MSC is doing all humanly possible to set-up alternative systems that will allow us to continue serving our customers but normal operation under the present conditions is still not possible.

We are monitoring the situation closely and will advise any changes immediately.

For further questions please do not hesitate to contact your local MSC agent.

MSC Germany S.A. & Co. KG