JAPANESE SHIPOWNERS' ASSOCIATION



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His Excellency, Admiral Rabie Chairman of the Suez Canal Authority

Dear Admiral,

Thank you for providing us with a questionnaire to seek customers' voices concerning the Canal's surcharges, tolls, services and so on early this month, which has already been disseminated to JSA member companies. I principally appreciate your positive efforts toward ensuring better communication between the Suez Canal Authority and its customers.

In the meantime, we learned from your website on 23 March that the surcharges introduced on 1 March would be revised considerably upward from 1 May 'in line with the significant growth in global trade and the improvement of ships' economics'. While we perceived your consideration on the prior notice period and understood that the surcharges were temporary in nature, we respectfully indicate that the mechanism of the surcharges is not so clear to date that we cannot foresee the timing and scale of the review, which may create an unrest situation for Canal users, including shippers. And I should confess that three consecutive toll increases in four months have brought an unpleasant surprise and strong confusion among our members and stakeholders in using our services, who have been calling for a six-month prior notice period on any toll adjustment, as you have been aware.

I would therefore like to propose to hold an emergency web dialogue meeting as soon as possible between the SCA and the industry in order for us to obtain a better understanding on the surcharges and to complement users' voices, which the five-choices questionnaire cannot fully represent.

I sincerely appreciate your understanding on this issue and look forward to your consideration.

Yours sincerely,

Junichiro Ikeda President The Japanese Shipowners' Association