



Nippon Express NEC Logistics Hong Kong Limited.

Suite 2002, Exchange Tower,
33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong
Tel : (852) 2723 1569 Fax : (852) 2723 9589
[Website : http://www.nipponexpress-necl.com.hk](http://www.nipponexpress-necl.com.hk)



Date: 22nd October, 2019,

Re: New Bunker Adjustment Factor-Compliance with IMO 2020 Regulations

Dear Valued customer,

International Marine Organization (IMO) has decided to carry out the new regulation on Sulphur Oxides (SO_x) emissions for all commercial ships with effect from **1st January, 2020**; new regulation has reduced the Sox emissions by reducing the sulphur content of Marine Gas Oil (MGO) from 3.5% to 0.5%.

In order to prepare for IMO2020 regulation, liners have started to adapt the new MGO on the coming November; With effect from **1st November, 2019 (By ETA/ETD)**, the New Bunker Adjustment Factor will be implemented for all outbound/inbound cargoes from/to Hong Kong, details are as follows:

Surcharge Name	: New Bunker Adjustment Factor (NBAF)		
Calculation method	: Average of MGO (Hong Kong) Price within a Month		
Amount	: Intra-Asia (A)	: Intra-Asia (B)	: LCL
	: 45 USD/TEU	: 80 USD/TEU	: 2.5 USD/RT
Effective Date	: 1 st November, 2019		
Updates On	: Every Month, as per carrier's instructions		

*Above surcharge subject to carrier's change without prior notice

*Attached list in appendix for definition of Intra-Asia (A) / (B), it depends on the distance from HKG to destinations.

*All inbound cargo subject to LSD: 20 USD/TEU, and it remain unchanged.

Thank you for your kind attention on the above matter. Should you have any enquiries, please do not hesitate to contact us.

Ocean Cargo Group: Ocean_Cargo@nipponexpress-necl.com.hk

Sales & Customer Services E-mail: Sales@nipponexpress-necl.com.hk / Hotline: (852)2731 8263



Yours faithfully,

Sales Development Division

Nippon Express NEC Logistics Hong Kong Limited.

This is a computer printout letter that requires no signature

Appendix

- For Intra Asia trade lanes, the [Region A] and [Region B] is categorized by distance as below :

	JPN	KOR	N.PRC	E.PRC	S.PRC	HKG	TWN	PHL	Hai Phong	S.VNM	KHM	THA	SGP	MYS	IDN	MMR
JPN		A	A	A	A	A	A	B	B	B	B	B	B	B	B	B
KOR	A		A	A	A	A	A	B	B	B	B	B	B	B	B	B
N.PRC	A	A						B	B	B	B	B	B	B	B	B
E.PRC	A	A						A	B	B	B	B	B	B	B	B
S.PRC	A	A						A	A	A	A	B	B	B	B	B
HKG	A	A						A	A	A	A	B	B	B	B	B
TWN	A	A						A	A	A	A	B	B	B	B	B
PHL	B	B	B	A	A	A	A		A	A	B	B	A	B	B	B
Hai Phong	B	B	B	B	A	A	A	A			A	A	A	B	B	B
S.VNM	B	B	B	B	A	A	A	A			A	A	A	A	A	B
KHM	B	B	B	B	A	A	A	B	A	A		A	A	A	A	B
THA	B	B	B	B	B	B	B	B	A	A	A		A	A	A	B
SGP	B	B	B	B	B	B	B	A	A	A	A	A		A	A	A
MYS	B	B	B	B	B	B	B	B	B	A	A	A	A		A	A
IDN	B	B	B	B	B	B	B	B	B	A	A	A	A	A		A
MMR	B	B	B	B	B	B	B	B	B	B	B	B	A	A	A	