



Date November 28, 2025

Subject **Customer Advisory - EU Emissions Trading System**

Dear valued Customer,

Today, we would like to give you an overview of the EU Emissions Trading System (EU ETS) and explain the upcoming changes for the maritime transport sector from 2026 onwards.

On 14 July, as part of the “Fit for 55” package, the European Commission published a legislative proposal to revise the EU ETS in line with the target of reducing EU net greenhouse gas (GHG) emissions by 55% by 2030 compared to 1990 levels. The EU ETS is a mandatory reporting and compliance system that requires annual declarations of greenhouse gas emissions and other relevant data.

The EU ETS is based on a “cap and trade” mechanism. The cap sets an upper limit on the total quantity of GHG emissions permitted from installations covered by the system. This limit is reduced annually in line with the EU’s climate objectives, ensuring continuous emission reductions over time. Since its launch in 2005, the EU ETS has contributed to a 37% reduction in emissions from power and industrial plants.

The cap is expressed in emission allowances, each representing the right to emit one ton of CO₂ equivalent (CO₂e). Every year, companies must surrender enough allowances to fully cover their verified emissions; otherwise, they face substantial penalties.

The EU ETS will also apply to CO₂ emissions from maritime transport, specifically to large vessels above 5,000 gross tonnages. It will cover emissions from voyages within the EU as well as between the EU and third countries. The obligation to surrender allowances has been gradually phased in during 2023 - 2025.

EU Emissions Trading System – Full Implementation in 2026

The **EU ETS** for maritime transport will reach **full implementation on January 1, 2026**. From that date onward, shipping companies must purchase and surrender allowances covering **100% of their verified GHG emissions**.

What is Changing?

- Full coverage: 100% of emissions (coming from 70% in 2025)
- Inclusion of methane (CH₄) and nitrous oxide (N₂O) later in 2026

Impact on Ocean Freight Costs

The cost of EU Allowances (EUAs) and carrier surcharges will rise significantly. DHL Global Forwarding will continue to apply ETS-related surcharges transparently and in line with carrier cost recovery principles.

Sincerely,

Your DHL Global Forwarding Ocean Freight-Team