

Fuel Surcharges

Throughout 2021 and into 2022, while the world was still in the grips of the COVID-19 pandemic, Master Liveboards made preparations for re-opening costs including, but not limited to, increases in inflation that have come to pass. As the pandemic devolved into an epidemic, and countries reopened for international travel, the future looked a lot brighter but, there were always going to be repercussions on destinations re-opening.

The nature of our business is that we need to set our prices up to 4 years in advance and make a conservative guesstimation on a fair price. However, the inevitable increase in worldwide inflation was not the biggest problem we were facing as operations slowly started to resume.

Oil prices had been somewhat unstable for many years but had remained below the much-talked-about \$100 USD per barrel mark since 2014. However, the price had been constantly rising and by February 2022 the increase across the year was already around 50%. The invasion of Ukraine by Russia subsequently made the situation far worse causing oil prices to spike and fuel prices followed closely behind.

Fuel is the biggest single running cost on our vessels; It powers our vessels and tender engines, as well as the onboard generators. By extension, this means fuel powers everything that you, as our guest, use on the boat: Compressors for filling scuba cylinders, battery charging, food and drinks refrigeration, freezing food, air conditioning, and much more. While we absorbed the increase in fuel prices at the pump through 2021 and into the early part of 2022, we reluctantly decided to implement a fuel surcharge on our cruises based on increases in fuel prices in each destination from the time that operations began to resume in 2022 and into 2023.

Oil prices have dropped to below 100 USD per barrel and prices at the pump have followed. The good news is that this means fuel surcharges are no longer being applied; However, should the situation change, we may be forced to reintroduce fuel surcharges in some or all destinations based on local costs.

Should this happen, we will not implement changes on any cruise that is less than 21 days from departure. Where fuel surcharges are applicable, they will be payable in advance; all bookings will be invoiced for those between 21 and 60 days before the liveboard departure date.