



Spring 2013

Over the last season the major drama to face the Import/Export community was Fonterra's milk powder crisis. While being a highlighted problem nationally, it is the type of drama that importers, exporters and Customs Brokers play out on a daily basis with the regulatory authorities. What it has done is make us aware of "*Clostridium botulinum*" as we became aware of Iceland's pesky volcano *Eyjafjallajökull* in 2010 – yes, it was that long ago!

"Bogus Charges" Claim By Importer

The NZ Shipping Gazette of 22 June carried the banner story of a Christchurch importer who has been "stitched" an extra \$300 on a small shipment from China. This has been raised in earlier issues and we are currently involved with the Commerce Commission in a similar complaint we laid on behalf of a client. FOB abhors this scam and will continue to fight against it. Please contact us if you seek more information on how you may avoid the scam.

Customs Retirements

Change comes to us all and recently the NZ Customs Auckland office lost a wealth of experience that can be measured in centuries. The nine officers who were "retired" go back to the pre computer days when relationships were so important. It was a bonus to be able to discuss matters face to face instead of getting your message through the click of a mouse. Those who were known on a personal basis as Devo, Chicken, Igor, Chuckles etc will be missed and we appreciate their years of service to our industry. Now we tend to deal with a generic email address. Don't you love progress!

Chinese VAT-End User pays

The Chinese Ministry of Finance and State Administration of Taxation has issued Cai Shui Chinese National Fiscal and Tax Policy [2013] No.37: 'CONCERNING THE NATIONWIDE TRANSPORT AND PART OF THE MODERN SERVICE INDUSTRY BUSINESS TAX REFORM VAT PILOT TAX POLICIES'

The above mentioned notice, effective from 1st August 2013 meant that a VAT of 6% will be applied on all Transportation and Handling charges. Freight and handling portions will also be considered as part of the revenue process.

Thus a 6% tax was imposed on all freight and logistics charges paid in China for which the shipping lines promptly added an additional % for collection.

Customs Penalties

As Customs Brokers we get penalized for errors on entries. These penalties range from \$200.00 to maximum of \$50,000.00 and are directed to the person who submitted the entry. Human frailty/error is not an option in our business. As of 1 July 2013 the fee for an application for an appeal, against the penalty, to be heard by a Customs Appeal Authority was increased to \$410.00 (GST inclusive) Yes, we have the opportunity to pay \$410 to dispute \$200.

There must be a moral to this story

MOL Comfort –and the need for Marine Insurance

Our previous newsletter referred to the MOL Comfort which split in two in the Indian Ocean. While being towed to a safe haven, hatch 7 was breached and the stern sank in 4,000 feet of water with an estimated 1700 containers. The remaining section with 2400 tonnes of fuel oil and 2400 containers sank a few weeks later. No salvage is possible so certainly one for the insurers and little comfort for those who do not insure their cargo. It will be a testing time for those and raises a question of the impact of General Average. In such cases, those with cargo interest on board the vessel are required to help pay for losses and damages to the vessel. This can end up being a double whammy as not only does the owner of the cargo have potential losses related to damaged / lost / late delivery of cargo, but they have to pay the carrier to help make up for the damage / loss of the vessel.

If you are not insuring your cargo, talk to us as we can assist as it is unwise not to.



Rear section sank 27 June 2013



Front section sank 11 July 2013

35.8410°S,174.4947°

Take note of these coordinates for the future. Marsden Point is 35km from Whangarei and 139 km from the Auckland container terminal and accounts for 28% of New Zealand's sea imports (by volume) and 5% of sea exports (by volume). It also accounts for a huge portion of coastal freight–fuel. Currently there is no rail link so road transport services the growing woodchip and timber export trade. A movement is afoot to get a rail link completed which could see it change to a major port of the future. It is a deep water port with industrial land developed close by. It certainly has potential for growth and could be a future contender for Auckland's growing demand.

FOB Melbourne Golf Tournament

FOB Australia sponsors an annual golf tournament to benefit Friedreich's Ataxia Disease (*an autosomal recessive inherited disease that causes progressive damage to the nervous system*). This is being held at The Heritage Golf and Country Club, Melbourne on 22nd November and we wish them well for the day and are pleased to support them annually in their cause by sponsoring a hole.

carboNZero

The Japanese Overseas Environmental Cooperation Center recently sent 3 researchers to New Zealand on a fact finding mission on the carboNZero programme. We were pleased to have had them visit our office and discuss our certification and the benefits it can provide.

With the first application for a "Climate Refugee" now lodged comes the realization that this is a global problem/challenge and we are among the leaders in this certification process.

A Mammoth task

We have been involved in a logistical exercise done the old fashioned way. Furniture was imported for SkyCity's Masu Restaurant. Included in this was a table which because of its size and weight (+ 600kg) required 16 men to carry it in and place it in position. While this won't be moving in a hurry, we have the expertise to move whatever your requirements may be.



Referrals

As always we are keen to receive referrals. Since 1982 we have been the trusted partner to many clients in their international transactions. Our values have not been lessened and our standards and integrity have always been maintained at a high professional level.

If you know of an importer or exporter who could benefit from our services, please advise us and we will make contact.

Good service is meant be shared.

Seasonal Quote

"Yesterday is gone from my control so I don't worry about it. I can make decisions that will feed my soul and give me the life that I can feel good about"

Sir John Kirwan 1964-

2/22a Kalmia Street, Ellerslie Auckland - PO Box 11802 Ellerslie Auckland New Zealand

Telephone: ++ 64 9 303 3941 Facsimile: + 64 9 3098418 www.fob.co.nz

AUSTRALIA • NEW ZEALAND

WORLDWIDE FREIGHT AND CUSTOMS MANAGEMENT