



Winter 2012

After the tumultuous times of 2011 we should be appreciative of the first half of 2012.

The Freight/Customs industry services the importers' and exporters' needs so they can supply the merchants and retailers, which brings to mind an importer who, when getting documents for his annual barrel of Jamaican Lime juice in the late 1960s, would drop the papers into the office with the phrase "*let's set the wheels of commerce in motion*". Sadly that importer's business has been swallowed up by a large conglomerate after 96 years in business but the principal is still the same.

We at FOB thrive on being the "universal joint" of the commerce machine and strive to make the ride smooth for importers and exporters.



During May we were audited by Landcare (carboNZero™) and have again been certified as a carbon neutral organisation. Full information on our emissions can be found at the [carboNZero](#) website.

We are proud of the stand we have made and to be able to offer ourselves as a carbon neutral service provider. To mitigate our emissions we have purchased Carbon Credits from a regenerating native forest in New Zealand.

Although our credits won't save the world alone-as a single drop of water helps make a lake- we can make a difference.

### Auckland Port situation

After many months of discussion, the situation between the Ports of Auckland and the Maritime Union reached an impasse with the Port Company issuing redundancy notices to the Maritime Union members and appointing employment agencies to engage a new workforce. The situation has calmed as the parties look to the future which hopefully will see the smooth transition of cargo. The politics are not our concern just the smooth transition of cargo across the border. In instances such as this we do what we are able to but in many instances are at the mercy of the system.

### Wharf cartage

Gone are the days when moving freight was easy. Perhaps the last area that the specialised requirements are not appreciated is the wharf transport operator. In this electronic age wharf cartage perhaps sets the standard. The papers that used to pass between Customs Brokers, shipping companies, Customs, Quarantine, road carrier and port authorities have gone and a series of numbers and booking slots replaces them. Companies who venture into this realm without the required knowledge tend to get a little lost in the system and a call for help is often fielded by us.

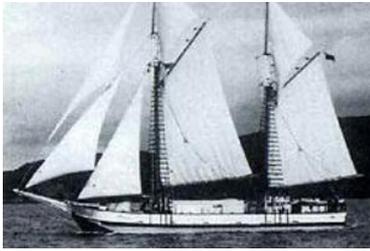
International freight handling is very different to domestic and crossing the line can be perilous. We can handle all of your needs using specialised wharf carriers.

### Coastal freight

In years gone by, coastal sea freight played a huge part in the movement of goods around New Zealand. Strictly enforced regulations concerning the transportation of goods by road had the bulk

of “out of town” deliveries being transported by “coaster” or rail for final delivery by road. While rail is still an occasional option Coastal shipping can still happen and we are among the leaders in this method of transportation.

No longer the dedicated fleet of small ships but mainly using the resources of the ocean carriers who are moving between New Zealand ports on a daily basis. The utilizing of space on these vessels allows us to offer very competitive rates for moving containers to your destination.



Early 20<sup>th</sup> Century  
Scow "Jane Gifford" 60 ton



mid 20<sup>th</sup> century  
Coastal Vessel "Calm" 787ton



21st Century  
Coastal/Container ship "Kota Jasa" 18502T

We have come a long way in 100 years but perhaps need to realign ourselves “back to the future”.  
Food for thought?

Now we have whetted your appetite-call us to discuss your requirements and you may be pleasantly surprised.

### Customs Tariff

Did you know that the New Zealand Customs Tariff (New Zealand Harmonised System Classification 2012) which we use to classify your goods-import and export-comprises of 21 sections, being 98 chapters, 1231 headings, and 5,212 sub-headings with 14,200 statistical keys In addition to that, there are tariff concessions separately enumerated in a 314 page Part II Tariff supplement that is updated bi monthly. That is why we often ask what may seem to be in depth questions about your products. The detail is very important to ensure correct classification. The classification impacts on Duty, GST, Quarantine, Health, statistics and must stand up to scrutiny by Government agencies.

### Important Change to the Customs Act

There has been a change to Part 10 of the Customs and Excise Act 1996 that is of great importance to all Brokers and those involved in International trade.

Part 10 deal with Administrative penalties imposed by New Zealand Customs as they rely on a self assessment by Importers/Agents/Licensees and Exporters in relation to goods on a Customs entry. The change lifts the penalty from \$50 to \$200 for a basic error while an error resulting in a short payment of duty (which includes GST) is raised from \$10,000 to \$50,000 per entry. This is of course a concern and the majority of errors occur due to inadequate information on invoices/packing lists.

Should you seek more information on this, please contact us.

### Trans Tasman Service

If you are shipping to or from Australia, please be aware that our Australian offices can handle you needs. Freight on Board is in Melbourne, Sydney and Albury-Wodonga on the NSW –Victoria border serving rural clients. We also have agents throughout Australia-and worldwide.

### Ministry of Primary Industries

The end of March signaled the introduction of the Ministry of Primary Industries (Manatū Ahu Matua) MPI is a new ministry formed from the merger of the Ministry of Agriculture and Forestry, the Ministry of Fisheries and the New Zealand Food Safety Authority. Their vision is to grow and protect New Zealand by maximising export opportunities for the primary industries; improving sector productivity; increasing sustainable resource use; and protecting New Zealand from biological risk.MPI is positioned to deliver high-quality services and support to the whole of the

primary sector.

This impacts daily on our functions as Customs Brokers and we will continue to work closely with the new ministry.

### Shipping rates ex Asia

Shipping lines are currently announcing their intentions to levy a GRI on inbound ocean-freight from Asian origins to New Zealand Ports. The GRI affects all ocean-freight from South East Asia, Korea, China, Hong Kong & Taiwan. These increases take effect for departures on / after 1st July 2012. We will continue to keep in touch with the shipping lines over these changes. LCL will increase also on a per wm basis .

Please do not hesitate to contact us should you require any additional information.

### The Queen's Yacht.... MV "Gothic"

Queen Elizabeth II has just completed 60 Glorious years as our Queen. When she first visited New Zealand in 1953 as a new Queen she travelled in the MV Gothic, a Shaw Savill & Albion Co's Freighter that had been refurbished for temporary use as the Royal Yacht. A slick of white paint and upgraded facilities could not deny the Gothic's primary use from 1948 to 1968 carrying passengers and cargo between New Zealand & Australia and Britain.



In normal circumstances ,the Gothic which was 15,911 grt, had 6 large holds, with space for 668,000 cubic feet (18,900 m3) of cargo, of which 510,000 was for refrigerated goods. There was also accommodation for 85 first class passengers

### 38° 10' 32" S 174° 41' 21" E

Perhaps New Zealand's least known export port. This location is Taharoa, an off shore terminal in the Tasman Sea off the King Country. It is through this that Iron sand is loaded on bulk carriers for export. A new vessel "Taharoa Destiny "( 175,000DWT) arrived recently. This vessel will increase the export capacity to around 1.2 million tonnes per year. The iron sand is pumped out in slurry at up to 2500 tonnes per hour.

### Seasonal quote

"New Zealand was colonised initially by those Australians who had the initiative to escape".

*Robert Muldoon 1921-1992*

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