

Lidija Erbic

From: Leanne Carter-James
Sent: Friday, 29 June 2007 4:19 PM
Subject: BROADCAST : OCEANFREIGHT EX SHA - AUSTRALIA : EFFECTS FELT OF EXPORT VAT REDUCTION 1ST JULY 2007 : UPDATE 29/06

Congestion at the Shanghai terminal has continued to worsen, forcing the Police department to take the extraordinary measure of opening Yangpu Bridge. This opening allows trucks to cross from another river access to the port, thus avoiding the congested tunnel access. Yangpu bridge, under normal circumstances, is only available to passenger vehicles. At present container deliveries to the terminal are taking 18 hours to complete.

Shipping lines are experiencing serious equipment shortage and this will have an ongoing effect on all vessel departures in coming weeks. Pls ensure your shippers are booking well in [advance and](#) delivering containers to terminals well in advance of standard published cutoff times.

EXPORTS EX SHA 2nd July 2007

A further problem has arisen with the malfunction of china customs IT system. The subsequent closure of this system for maintenance may potentially effect departures for 2nd July. We urge you to speak to your shippers and ensure they are aware of this.

Should you have any queries on the above subject matter, or require our assistance for particular shipments please call our office.

Thanks and best regards
Leanne Carter-James
Commercial Manager

Specific Freight Pty Ltd
Email : leannec@specificfreight.com.au
Direct Ph: + 61 2 9695-4030
Ph: +61 2 9700 0755 FAX: +61 2 9700-0766
Mob: 0401 298 863 (+61 401 298 863)

All business is subject to the standard trading terms and conditions of Specific Freight Pty Ltd which can be viewed at www.specificfreight.com.au or available on request.

-----Original Message-----

From: Leanne Carter-James
Sent: Tuesday, 26 June 2007 8:31 PM
Subject: BROADCAST : OCEANFREIGHT EX SHA - AUSTRALIA : EFFECTS FELT OF EXPORT VAT REDUCTION 1ST JULY 2007

The Chinese government, in their infinite wisdom, have chosen the first week of traditional peak sailing times, to implement a reduction in VAT rebate.

Up to now, in real terms, shippers/exporters have been rebated approximately 11% of the export FOB price as an export encouragement scheme. Under the VAT reduction rebate, effective 1st July 2007, this rebate reduces to approximately 5%.

Shippers/exporters across China are expediting export of goods prior to this date in a bid to minimise current impacts of this decision. As a consequence terminals are congested, shipping lines are experiencing equipment shortage and shipping line space is highly contested. To add to this quagmire a container accident at the terminal yesterday caused the unfortunate deaths of 6 people resulting in mourners reducing the freeway access to the ports to a car park.

To add to potential problems, Chinese officials have temporarily increased the rate of physical customs inspection from 10% to 35% of each loaded vessel.

At present we are holding firm bookings for all our cargo containers across selected lines, we have staff stationed at the terminal in a bid to influence critical loading times, and we remain hopeful that container loadings at the terminal will go ahead as planned.

Should we need to select other lines we shall do so on your behalf in an effort to ensure all cargo moves as booked.

Should you have any queries on this subject matter please contact our office.

Thanks and best regards
Leanne Carter-James
Commercial Manager

Specific Freight Pty Ltd
Email : leannec@specificfreight.com.au
Direct Ph: + 61 2 9695-4030
Ph: +61 2 9700 0755 FAX: +61 2 9700-0766
Mob: 0401 298 863 (+61 401 298 863)

All business is subject to the standard trading terms and conditions of Specific Freight Pty Ltd which can be viewed at www.specificfreight.com.au or available on request.