

29<sup>th</sup> March 2021

*Sent via email*

### **Business Update: Impact of ongoing shipping schedule disruption**

Over the past few weeks, we have all experienced a noticeable spike in disruption to shipping schedules; and we are extremely mindful of the impact this is having on your supply chains.

The current volatility has arisen from the ongoing challenges in global shipping, with New Zealand effectively being at the tail end of those interruptions. While the issue of congestion is not new, the unpredictability and frequency of schedule changes we are witnessing lately (sometimes 3 or 4 changes by a vessel in a day), has increased and is adding extra pressure to all parties.

This is an issue we are all confronted with – customers, ports, shippers, carriers and agents – and there is no single solution to resolving this burden in the short term. Long term, we have been advocating strongly at government level for a national supply chain strategy and we will keep up this pressure.

The next two weeks will pose added difficulty, as the statutory Easter period results in two short weeks.

Having said that, we are trying our absolute best to keep receiving and despatching your cargo as efficiently as possible. It is our foremost priority and we are sweating every opportunity, window, and possible solution to deliver for you. Our teams are interrogating every piece of information we can get our hands on, looking at every vessel movement, every bit of space we can make available and trying to work it to accommodate your cargo.

As we work through this, we are implementing some measures to try to alleviate the impact.

1. During Easter Weekend 2-5 April 2021, we will open our container terminal, and Thames Street depots, on both Saturday and Monday, for receipt and despatch, details below:

<b>Day</b>	<b>Service</b>	<b>Terminal</b>	<b>Thames St I and II</b>
<b>Good Friday (2 April)</b>	Closed	Closed	Closed
<b>Saturday (3 April)</b>	Full service	0700 - 1500	0700 - 1530
<b>Easter Sunday (4 April)</b>	Closed	Closed	Closed
<b>Easter Monday (5 April)</b>	Full service	0700 - 1500	0700 - 1530

2. Our Operations team are analysing all data that feeds into the shipping schedule. Every change is checked with vessel agents, as well as other ports that are on the vessel itinerary pre and post Napier, to get a clear picture of movement and grab any opportunity for our customers.

3. Our revised receival window, that started today, is being implemented as a buffer for the supply chain over the coming weeks:
  - We have updated our CAP Pre-advice System in line with the new six-day receival window. When pre-advising an export container, if the vessel is more than six days away, a warning message will be displayed. Note this is a warning only, the pre-advice will still be accepted.
  - We have also updated our Propel VBS in line with the new six-day receival window. When booking a Drop Off, if the container number is input into Propel VBS and the vessel is more than six days away, a Drop Off export appointment cannot be made. An error message will be displayed and you will need to make a new booking when the six-day receival window opens.
  - To assist with the VBS booking process, please remember there is an Export Receival Open column available on the Napier Port Shipping Schedule (<https://www.napierport.co.nz/quick-links/shipping-schedule/>). This information will let you review the container receival time for each vessel and see when the six day window is open.

We are committed to keeping the supply chain open and cargo flowing; and are constantly in contact with shippers, taking their feedback on board and doing our very best to prioritise your cargo.

The shipping lines are doing their best to manage all the delays they are encountering on the coast and juggling to get in and out of the ports.

Our Commercial, Container Operations and Supply Chain teams are constantly working on possible solutions and we thank you for your understanding and cooperation.

Please pick up the phone any time to speak to myself, Dom Sutherland or Andrew Palairet. We will do our best to assist you wherever possible.

Kind regards,



David Kriel  
General Manager Commercial