



# NPDL Network Update

Quarter One 2022



# Market Outlook

The unprecedented demand for goods coupled with the port and inland congestion seen in 2021 continues to drive supply chain disruption globally. Ships in all trades, including Australia, New Zealand, and the South Pacific, are experiencing ongoing port congestion-related delays. In New Zealand, port congestion issues are compounding and impacting our South Pacific network. Vessels calling the Auckland container terminals are experiencing significant delays, deep-sea services are either omitting Auckland or calling North Port to discharge their Auckland-bound cargo. As a result, we are proactively adjusting schedules to connect cargo to their destination as efficiently as possible. We encourage customers to take advantage of our expanded hours for container delivery to help ease the strain on the supply chain. We do not expect the landscape to change in the near term.

We continue to encourage customers to plan buffer stocks in their supply chains wherever possible, the impact of disruption on capacity is expected to continue to be a critical factor to consider in planning stock throughout 2022. Please make & firm up your bookings as early as possible to secure space.

COVID-19 continues to create significant challenges for our operations and people, the Omicron wave seems to have peaked in Auckland and Fiji however supply chains continue to be impacted. Whilst the NZ Govt will scale down quarantine facilities, we will maintain private facilities for international crew in order to continue to mitigate covid risks and the impact of COVID-19 on our crew and the Pacific nations we serve.

The strong demand from Asia and capacity shortage from port congestion and Covid port closures in China continues to drive up vessel costs and causes box shortages. These factors underpin upward pricing pressure as we head towards the high season in the second half of the year.

The ongoing technical and parts supply issues related to the Capitaine Wallis detailed in our advisory of the 24th of March have resulted in temporary changes to our network as we take steps to reduce the impact of delays on cargo flows. We expect the liner network to return to planned deployments from mid May.



# Network



**Dedicated and Direct Samoa & American Samoa Service.** Starting from the Capitaine Kupe v4 which departed Auckland on 26<sup>th</sup> February we have commenced our dedicated Samoa/s service rotation covering Auckland, Apia, Pago Pago and returning to Auckland. This enhancement will deliver transit time of 6 days to Samoa and American Samoa from Auckland, thereby improving transit time for NZ origin cargo, cargo transhipped via NZ and Samoan export cargoes. The revised service structure will not only improve transit time but also enhance frequency and capacity via additional voyages throughout the year.

**Tonga and Tahiti Service.** Although originally planned for commencement in April we have been able to move forward the replacement of the Southern Moana by the larger Capitaine Dampier by 2 months and from her departure Auckland on 26<sup>th</sup> February previous capacity constraints on timber have been removed.

**NZ - Fiji** – Vessels continue to experience heavy demand. We will have access to additional capacity via Tauranga from early January to cater to demand.

**Australia to Pacific** – Service ex Australia to the Pacific remains at capacity with strong weekly volumes being consolidated over NZ.

**Fiji Interisland Services** – Our Fiji and inter-island services continue to be impacted by regulatory compliance driven schedule changes along with delays and schedule changes related to technical, mechanical, and crewing issues. During mid-2022 we will undertake a dry docking of the Capitaine Wallis, whilst we take these necessary steps to ensure long term sustainability of these services we will maintain flexibility in terms of port rotation between the Magellan, Wallis and the Southern Pearl to ensure critical coverage is delivered to all of the Pacific nations we serve. Please refer to regular Trade Advisories for further details.

**Nouvapac** – The Capitaine Magellan is currently in dry dock, the Nouvapac service has been covered by the Southern Trader and Southern Moana through February, the service will be covered in March by the Capitaine Dampier as per our recent Trade Advisory.

**Asia to Pacific** – Extremely strong demand for capacity is ongoing and vessels capacity is fully utilized on the NZS service throughout March and April. Bookings are available on May vessels. Feeder capacity and container shortages remain a factor in supply chain planning. The services from Asia to the Pacific are also heavily impacted by port congestion enforced operational delays in Auckland which is creating bottlenecks of cargo both in Auckland and in Asia load and transshipment ports.

**Customs Requirements to Pacific Islands** – Please be reminded of our notice of 23<sup>rd</sup> February regarding regulatory requirements across the Pacific to declare number of inner packages in vessels manifests and on bills of lading. Please ensure these details are added to all Shippers Letters of Instruction.

**United States East Coast Service** – In mid April, the Capitaine Baret will sail on the maiden voyage of our new USEC service, linking the Pacific with the USEC via Fiji. Please contact your NPD L representative for further information.

**Updated website launched** – Our new and updated website has come online from at the beginning of Q4 2021. The website will be updated daily with latest vessel positions, service frameworks, trade notices and vessel schedules, further exciting developments including ecommerce functionalities are planned during 2022 as we continue to develop and deliver tools that allow you to communicate with us when you need to in the medium you prefer. Please visit us at [www.npdship.com](http://www.npdship.com)

