



## UK PORT CONGESTION - WESTBOUND 1<sup>st</sup> December 2007

Dear Customer

The growth in cargo carried by the ocean carriers into the UK for the first eight months of 2007 has increased by almost 15% over the same period in 2006 and has averaged 485 TEU's per day for the year to date.

Together with substantial growth seen in other trades this level of increase has created congestion, not only at the major UK terminals, but has also caused congestion of the inland transport and delivery systems. On occasions, Shipping Lines have found it necessary to by-pass UK ports and feed cargo to the United Kingdom and in some cases divert their vessels to non-scheduled ports and equalize the costs from these ports. This has created even more congestion for an infrastructure that is already overloaded. The infrastructure congestion has also made it very difficult to repatriate much needed empty containers to Asia.

In meeting these and other operational problems, the carrier members of the FEFC (Far East Freight Conference) have incurred substantial extra costs in supplying their liner services to customers.

The study undertaken by the Lines has identified major cost increases in vessel operations, trans-shipment of cargo and port equalization. The aggregated increased costs identified by the study amount to an extra cost of USD 145.00/TEU and in order to recover this amount the FEFC will announce a **UK Congestion Charge of USD 145/TEU applicable to the westbound trade for all containers discharged on or after the 1<sup>st</sup> December 2007**. The costs will be reviewed after 60 days and adjusted as necessary.

SEKO SYNERGY will have no choice but to pass these costs onto our customers at cost, effective 1<sup>st</sup> December 2007.

The Lines will monitor this situation on an ongoing basis and for any further information please contact your SEKO SYNERGY Representative.

Yours truly  
The Directors  
**SEKO SYNERGY LIMITED**