



WALLENIUS WILHELMSEN

27 June 2000

General Manager, Transport & Prices Oversight Branch
Regulatory Affairs Division
Australian Competition & Consumer Commission
GPO Box 520J
MELBOURNE VIC 3001



Attention: Ms Margaret Arblaster



Dear Ms Arblaster,

**RE: ACCC PART X INVESTIGATION INTO THE AUSTRALIA/SOUTH EAST ASIA
TRADE FACILITATION AGREEMENT**

We refer to your letter of 2nd June 2000 and are pleased to enclose herewith a completed questionnaire.

Confidentiality:

We would request that the information about freight rates and charges contained within this submission be treated as confidential as prescribed in Clause 10.88 of the Trade Practices Act.

Trade Facilitation Agreement:

We confirm that we are not members of this group.

The Wallenius Wilhelmsen Product:

For approximately 12 years, Wilhelmsen Lines (succeeded by Wallenius Wilhelmsen as from 1 July 1999) has maintained a service known as its "Round The World" service which involves nine large roll on roll off vessels following each other as they sail from Scandinavia to Europe, United States and Canada East Coast, New Zealand, Australia, Singapore, Hong Kong, (from 1998, China), Japan, US West Coast, US East Coast, Europe and back to Scandinavia. The round voyage takes 135 days and delivers a twice monthly service to the main ports called.

As of 1st July 1999, Wilhelmsen Lines merged with Wallenius Lines of Sweden to form the present company Wallenius Wilhelmsen. The ACCC was informed of this merger.

These roll on roll off vessels (sometimes also known as ConRo's) cater for a variety of cargoes. In addition to containers, they can carry cars and other wheeled cargo, breakbulk cargo such as paper, steel, pulp etc. and heavy lifts

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on special trailers. Whilst it is theoretically possible to fill the vessels entirely with containers, it is not our normal practice to do so. The cargo mix varies from leg to leg of our "Round The World" voyage and on arrival in Australia from Europe/USA, the containers are usually limited to the vessels' weather deck with the underdeck portion, accessed by the large quarter ramp, being largely full of non containerised cargo. On departure from Australia to Asia the cargo mix is usually made up of a preponderance of containers with some breakbulk cargo carried loose or on bolsters and occasional shipments of wheeled cargo.

For this exercise, you will see in the attached tables that we have applied a notional TEU capacity to the vessels as though they were completely full of containers.

Our standard itinerary for the vessels after Australia to Asia has us visiting three discrete regions:

- South East Asia (with Singapore as the only port of call).
- China (with Hong Kong, Qingdao and Ningbo being the three ports of call).
- Japan (with Kobe, Nagoya and Yokohama being the three ports of call).

Reefer cargo

Whilst our vessels are fitted with a number of reefer power points and are therefore able to carry reefer containers, Wallenius Wilhelmsen does not own any reefer containers and its only activity associated with reefer containers is occasionally carrying Shipper Owned reefer containers on payment of a slot fee.

Southbound cargo

There are several references in the questionnaire about southbound cargo which we have labelled Not Applicable. This is because we do not have a service inbound to Australia from Asia. All our imports in the ConRo vessels come from Europe and North America.

Yours faithfully,



cc. Soren T Jensen
General Manager Commercial