

March 2021

About ICHCA – International Cargo Handling Co-ordination Association

The International Cargo Handling Co-ordination Association (ICHCA) is an international, independent, not-for-profit organisation dedicated to improving the safety, security, sustainability, productivity and efficiency of cargo handling and goods movement by all modes and through all phases of national and international supply chains. ICHCA International's privileged non-government organisation (NGO) status enables it to represent its members, and the cargo handling industry at large, in front of national and international agencies and regulatory bodies. Its Expert Panel provides best practice advice and publications on a wide range of practical cargo handling issues.

ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network. To access past newsletters and other useful information go to the ICHCA Australia website at www.ichca-australia.com. The ICHCA international website is at www.ichca.com. To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at peter.van-duyn@ichca.com or telephone 0419 370 332.

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ICHCA Australia AGM results

The ICHCA Australia Ltd Annual General Meeting was held on Friday 5 March. Following an election, the following directors were elected unopposed:

Chairman: John Warda

Deputy Chairman: Marcus John Finance Director: John Warda

Directors: Sallie Strang, Michael Simms, Darren Fursman, Jamie Bradford, Jonathan Lafforgue and Peter van

Duyn (Company Secretary).

Laurence Jones and Gary Campbell advised that they are happy to continue as alternate Directors for Marcus John and Darren Fursman, respectively.

Inaugural ICHCA Logistics Long Lunch held in Brisbane



After several false starts, thanks to COVID restrictions, the logistics industry in Brisbane finally came together in early March to hold the Inaugural ICHCA Logistics Long Lunch.

More than 140 guests (including some from interstate) representing 58 companies enjoyed a sumptuous lunch seated in the Howard Smith Wharves River Shed West overlooking the Brisbane river.

The ICHCA Logistics Long Lunch in Brisbane; Photo: ICHCA

ICHCA Australia Chairman John Warda gave a short overview of the importance of ICHCA Australia (affiliated with ICHCA International), where members from a wide variety of businesses strive to improve the safety and effectiveness of the handling and movement of goods in the national and international transport supply chains.

Guest speaker Lloyd Hain, Executive Director of the AME Group, gave an insight into the current global demand for metallurgical coal with particular emphasis on the effect it has on the coal industry in Queensland. According to Mr Hain, the future for metallurgical coal over the next few decades looks bright with plenty of demand coming from China, and increasingly India, to assist in their steel production.

The idea of the Long Lunch, which ran from 1pm till 4 pm, is to provide attendees with the opportunity for plenty of networking and by the time it finishes there is an excuse not to return to work. This is particularly attractive on a balmy Friday afternoon along the Brisbane River where one can continue to enjoy a few drinks with industry colleagues and friends afterwards. It seems this concept goes down well with the industry, especially after not seeing your colleagues in person for many months due to the COVID pandemic. Organiser Darren Fursman from NQBP and an ICHCA Australia director said due to the success of the lunch he hopes it will become an annual event.

ICHCA SA luncheon



After a COVID-enforced delay, the quarterly ICHCA networking luncheon in Adelaide finally went ahead last week.

The event was held at The Lakes Resort Hotel and the speakers were John Warda, Chairman ICHCA Australia, and keynote speaker Stewart Lammin, CEO of Flinders Port Holdings (FPH). The event was well attended with over 60 representatives from freight industry service providers and beyond, who were keen to hear about the state of play of South Australia's port operations and some of FPH's future strategies.

The ICHCA lunch in Adelaide; Photo: ICHCA

John Warda highlighted the important role that ICHCA plays within the cargo handling industry in Australia and overseas. ICHCA Australia is a chapter of ICHCA International, a not-for-profit organisation founded in 1952 which has strong relationships with the International Maritime Organisation (IMO), International Labour Organisation (ILO) and other key UN Agencies. This allows ICHCA to play a key role in influencing new regulations and legislation to improve the safety of cargo handling operations worldwide.

John listed several projects that ICHCA is currently involved with including:

- a new Code of Practice on Packing of Cargo Transport Units (CTU) which involved a major roll out in 2020 in conjunction with Global Shippers Forum (GSF), Container Owners Association (COA), TT Club and World Shipping Council
- a new CTU Code Quick guide (condensed advice on packing of all types of cargo) with container packing checklists
- a new Code of Practice developed to prevent serious accidents and incidents such as container stack failures, ship fires, ship and shore crane failures and vehicle rollovers
- SOLAS amendment and guidelines for ships' lifting appliances
- addressing the issue of liquefaction of bulk cargoes
- MARPOL Annex V pollution prevention from ships' garbage
- Safe mooring arrangements
- Dangerous Goods Code updated briefing documents.

Keynote speaker Stewart Lammin spoke about the company's background and its future, notably that the business is celebrating its 20th Anniversary in 2021. Stewart indicated that the future for FPH looks bright considering the challenging year everyone has had due to the pandemic, with much to celebrate and look forward to. Stewart shared some of the key achievements and milestones in FPH's sustainability plan which was launched in late 2019. The company has also embarked on a 50-year master planning exercise.

Stewart then guided the audience through the pipeline for capital investment in relation to the company's port assets and the costs associated with asset maintenance, as well as a range of initiatives costing around \$1 billion over the next 20 years. To finish, Stewart outlined FPH's strategy for executing its "Smart Port" journey. This involves the company working towards:

- increasing capacity at its port operations
- protecting South Australia's and FPH's competitiveness in a global marketplace
- reviewing data analytics and real-time monitoring, which will deliver improved asset management

- improving sustainability by limiting energy consumption and reducing waste and environmental impact
- improving SA businesses' global competitiveness (exports) as well as ultimately reducing costs for SA's buying goods (imports).

The function was a great opportunity for industry participants to come together, enjoy good food and participate in some networking.

The luncheon was proudly sponsored by:



New port authority for Victoria

Ports Victoria is to have broad-reaching responsibility over the state's commercial waterways, amalgamating the Victorian Regional Channels Authority and the Victorian Ports Corporation Melbourne. The state government said it would establish the new entity in a government response to the Independent Review of the Victorian Ports System. Ports Victoria is scheduled to begin operating in July.

The Review commenced in early 2020 and was delivered to the state government in November, but the full report with more than 60 recommendations is not publicly available. However, the government's initial response provides some insight into the findings of the review. State Ports and Freight Minister Melissa Horne said, "Ports Victoria will ensure our ports operate in a smart, efficient way to support the sector, continue to grow our economy and create jobs."

The initial government response said Ports Victoria would have "overarching responsibility for the channels and port waters of the commercial ports". This will include providing and maintaining channels and navigation aids, ensuring availability of key water-based services, deploying harbour masters, and more.

The new entity will be located in Geelong. The government said locating the new entity in Geelong would grow the city's influence in the ports sector and allow it to become a "niche centre of maritime expertise". Among the 60-plus recommendations that came out of the Review, according to the initial response one was a recommendation for stronger regulatory oversight of pilotage services. It said this would be "to ensure adoption of safe operating practices and to support development of a robust performance-management framework". The Review also recommended that Ports Victoria reinforce the harbour master role by consolidating and clarifying lines of accountability for the state's major commercial ports.

IFAM extended to September 2021

The International Freight Assistance Mechanism (IFAM), which was established in April 2020 with \$110 million in funding to help rebuild critical global air supply links, has been further extended. On 11 March 2021, the Australian government announced a further \$112.8 million in funding to extend IFAM to the end of September 2021, giving Australian businesses reliant on airfreight extra time to adapt to the new international trade environment.

As an island nation, it is essential that Australia maintains air connectivity to key markets. The extension of IFAM will ensure the aviation sector is supported until the COVID-19 vaccine rollout is well underway, ensuring Australia retains its reputation as a reliable global trading partner. By keeping key airfreight routes open, IFAM is providing Australian businesses disproportionately affected by COVID-19 time to adapt their business models, adjust to a new and tougher trading environment and preserve jobs.

Amazon's robotics fulfilment centre is taking shape

The biggest warehouse in Australia, Amazon's mammoth robotics fulfillment centre in Western Sydney, is ready for internal fit-out. Spanning 200,000 square metres, the robotics centre is due to be completed by the end of the year.

Craig Fuller, director of operations at Amazon Australia, says that once complete, the centre could theoretically deliver products to 85% of the population in 12 hours. This will be Amazon's fifth fulfillment centre and will effectively double its operational footprint in Australia. "Utilising advanced technology, the robotics will enhance the efficiency of our operations as well as the safety of our associates, helping to support our Amazonians as they pick, pack and ship the millions of items housed within the fulfillment centre to customers around the country," he says. The warehouse will use robots to sort and pick products after they are selected online.



Paul Scurrah to join Pacific National

Pacific National has announced the appointment of Paul Scurrah as Managing Director and Chief Executive Officer. Mr Scurrah is expected to start in April 2021. In January, current CEO Dean Dalla Valle announced his decision to retire from full-time executive work after which he will take on an advisory role to ensure a smooth transition for Mr Scurrah.

Mr Scurrah joins Pacific National with a wealth of experience gained in lead roles across the rail, port and aviation sectors, most recently as Managing Director and CEO of Virgin Australia. Other significant roles include his time as CEO of Queensland Rail, EVP and Commercial and Marketing Officer at Aurizon and Managing Director and CEO of DP World Australia. "Paul's long history as a senior transport executive in Australia, and repeat experience as a CEO, positions him perfectly to take on the leadership of Pacific National," said Chairman Russell Smith. "Paul brings with him a wealth of executive, commercial and stakeholder experience which covers all areas of Pacific National's business."

"On behalf of the Board I would again like to thank Dean for his hard work and drive as CEO of Pacific National since 2017. Dean has generated significant momentum, has developed a strong senior

management team and will leave Pacific National in good shape, having most recently guided the organisation safely through the material challenges of COVID. We wish him well for his retirement."

Fremantle Ports concludes lease negotiations

Fremantle Ports has concluded negotiations with Patrick and DP World for new leases over the two existing container terminals in Fremantle. The new leases took effect from January 2021. The leases are for a 10-year term, with potential for Fremantle Ports to extend the term by up to a further 11 years, subject to the State Government's planning timeline for a transition to a new Outer Harbour Westport container terminal.

Acting Fremantle Ports CEO Sean Craig said he was delighted to have agreed on new 10-year leases with Patrick and DP World. "This provides many benefits to WA shippers and the wider container industry. Importantly, we have secured a significant capital commitment to upgrade the terminal facilities and a charging structure that provides price certainty for WA shippers," he said. Fremantle is the first port in Australia to agree with the stevedoring companies on a means of managing infrastructure charges under these leases, with Fremantle Ports agreeing to provide certainty of property costs across the period. This will provide much improved commercial certainty for shippers and the container industry.

Patrick has recently taken delivery of a new generation crane at its Fremantle operations and is in the process of renewing operating equipment and systems to support operational efficiency in coming years. CEO Michael Jovicic said Patrick was pleased to conclude the lease negotiation with Fremantle Ports. "Patrick continues to invest in Fremantle and across our Australian portfolio to deliver value-adding, reliable and efficient services to our customers," he said.

DP World intends to develop a new truck marshalling area within its lease boundary and make significant investment in new terminal equipment to increase efficiency. DP World Managing Director Glen Hilton said, "DP World is delighted to be entering into a new 10-year lease at Fremantle, continuing its proud history of operating in Western Australia. Fremantle is an important part of DP World's national portfolio and our significant investment will continue to support our customers and the local economy."

Ever Given has been re-floated



The most famous containership in the world the *m/v Ever Given* has been re-floated after blocking the Suez Canal for six days. The ship has been towed to the Great Bitter Lakes for a full inspection. Canal traffic has resumed as normal.

More than 400 ships are banked up either midway or at either end of the Canal and it is expected to take about a week to clear the backlog. Container shipping lines Maersk and MSC believe it could take months to clear the disruptions in the global shipping industry caused by the shutdown of the canal.

Photo:: Suez Canal Authority

The industry is looking forward to the report and potential ramifications resulting from the grounding in order to avoid a re-occurrence. The whole event has been very costly for the ships involved as well as for the affected importers and exporters.

Port of Melbourne Stakeholder and Industry Consultation 2021

The following was received from the Port of Melbourne (PoM):

The Port is holding a number of workshops with regard to their upcoming industry engagement program and is seeking ICHCA Australia's support in promoting and attending these workshops. PoM will be consulting with port users and other industry stakeholders to provide an update on key topics of stakeholder interest and port activities. Some of these topics include our investment program, trade information, tariff update and preferred ways of communicating and engaging in the future. We will be conducting a series of online workshops in April and will be sending invitations shortly; however, anyone from industry is welcome to attend.

More information is available on the PoM web page, along with workshop dates.

AMSA detains two bulk carriers

The Australian Maritime Safety Authority (AMSA) has detained two Panama-flagged bulkers, operated by the same company, for appalling living and working conditions onboard and for failing to carry out periodic surveys of the ships. AMSA inspected *m/v Movers 3* in Weipa on 4 March, and also detained its sister-ship, *m/v Maryam* in Port Kembla for similar issues, including a lack of power onboard.

AMSA Director Operations Allan Schwartz confirmed the authority detained the two Panama-flagged bulk carriers for serious deficiencies including breaches of the Maritime Labour Convention. "AMSA has been actively engaged with the operator, Aswan Shipping and flag state Panama to resolve the serious issues identified onboard both ships. *Movers 3* and *Maryam* will remain under detention in Weipa and Port Kembla, respectively, until these serious deficiencies are rectified by the operator, Aswan Shipping," Mr Schwartz said.

"We have zero tolerance for sub-standard ships operating in Australian waters, particularly repeat offenders and those that breach the Maritime Labour Convention which sets out modern working and living conditions for seafarers." Mr Schwartz said AMSA is considering further action against the operator. "However, it is too early to pre-empt what that may look like with these serious deficiencies still unresolved and both ships still under detention. That is our focus right now," he said.

"It goes without saying that it is completely unacceptable on the part of Aswan Shipping to fail to provide crew with decent working and living conditions, which is a grievous breach of the Maritime Labour Convention and one that has seen the ship detained by AMSA for a protracted period of time," Mr Schwartz said. "We expect Aswan Shipping to step up and fulfil its responsibility to maintain its ships and provide appropriate living and working conditions for its seafarers."

New charter vessel to join Bass Strait service



SeaRoad Shipping's new charter vessel *m/v Liekut* has recently arrived at Station Pier, Melbourne. In preparation for the arrival of the vessel, which will service the Bass Strait route, SeaRoad has invested \$15 million in developing the East Devonport terminal. This includes fendering, berth strengthening and mooring bollards works, which are currently being completed for the 210-metre-long ship.

Photo: SeaRoad Shipping

In Melbourne, \$600,000 of fendering relocation, pile restoration and mooring bollards works are also close to completion.

SeaRoad Shipping is a privately-owned, Australian shipping and logistics business specialising in Bass Strait services. The company runs purpose-built ro-ro vessels servicing the route between Melbourne and Devonport. The company's two ships operate a dedicated daily cargo shipping service. Built in 2016, *m/v SeaRoad Mersey II* is the first coastal ship in Australia to use LNG fuel and power technology. The modern *m/v Liekut* will join the SeaRoad fleet in April 2021 for three years, replacing *m/v SeaRoad Tamar*.

SeaRoad Executive Chairman Chas Kelly said the investment in the charter vessel and port works would provide increased capacity for freight across Bass Strait. SeaRoad's total lane metre capacity will grow by almost 70% when the *Liekut* replaces the *SeaRoad Tamar*. "We've seen a fantastic response from our clients in the lead-up to the *Liekut* commencing service. More transport options for Tasmanian agriculture, aquaculture and manufacturing industries means more growth opportunities for businesses," Mr Kelly said

Updates from the Department of Agriculture, Water and the Environment

BMSB update

The department has provided some general updates for the 2020-21 Brown marmorated stink bug (BMSB) risk season. As of 4 March 2021, the department has 171 BMSB detections for the 2020-21 BMSB season: 27 of these have been live detections – 8 in air cargo and mail pathways, 18 across sea cargo and vessel pathways, and 1 unknown, and 144 detections of dead BMSB in sea cargo and vessel pathways.

Now that we are in the home stretch to the end of the season, the Department has received some emails asking about these dates. The measures apply to goods shipped from 1 September 2020 that arrive in Australian territory by 31 May 2021 (inclusive). Goods shipped between 1 September 2020 and 30 April 2021 need to be treated and may be referred for intervention if they arrive by 31 May 2021 (inclusive). Goods with a shipped-on board date of 1 May 2021 onwards arriving by 31 May 2021 may be subject to inspection. Any goods arriving from 1 June 2021 onwards will be deemed as out of scope and not subject to the measures.

You can read the Department's full newsletter here.

Khapra beetle

The Department is implementing urgent actions to address the risk of khapra beetle (*Trogoderma granarium*), with additional funding. The Department is currently working through what the revised measures for shipping containers will involve.

The table below indicates the timing of Phase 6A and 6B.

Implementation date	Details
12 April 2021 (6A) (exported on or after 12 April 2021)	FCL/FCX containers carrying high-risk plant products loaded in a khapra beetle target risk country must undergo mandatory offshore treatment prior to arrival in Australia.

Late 2021 (6B) FCL/FCX containers shipped from a khapra beetle target risk

country and destined to a rural grain growing area of
Australia will also need to undergo mandatory offshore

treatment prior to arrival in Australia.

We will advise industry of the implementation date for this

stage as soon as possible.

For more information go to: https://www.agriculture.gov.au/pests-diseases-weeds/plant/khapra-beetle/urgent-actions

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Our contact with you

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