



August 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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Innovation in Safety Award to return

ICHCA International with the support of international freight transport insurer TT Club, is once more hosting the *Innovation in Safety Award* after a hiatus in 2020 due to the pandemic. Global supply chains, and in particular the cargo handling and transport operators that facilitate them, have been challenged as never before over the past year and a half. In an environment of dynamic trade flow variation with mounting volumes in many areas, restricted capacity, congestion, and disruption, it is vital to maintain vigilance in matters of safety.

Both ICHCA International and TT Club have a fundamental commitment to risk reduction throughout the supply chain. Their renewal of an award programme to promote the work of those striving to find ways to mitigate such safety risks reflects the paramount aim within both organisations' philosophies. The Award will be open to anyone – an individual, team or company – involved in cargo handling or logistics. Entrants will be required to show that a product, idea, solution, process, scheme, or other innovation has resulted in a demonstrable improvement to safety.

The Award champions and celebrates the many companies and individuals around the world who are 100 per cent dedicated to 'making it safe' every day. Equally, it acknowledges and fosters innovation to improve safety in cargo operations and logistics. Details of entry criteria and deadlines will be announced at the begin of September 2021.

Welcome to new ICHCA member Konecranes

Konecranes is a world-leading group of lifting businesses serving a broad range of customers, including manufacturing and process industries, shipyards, ports and terminals. Konecranes provides lifting equipment and services that aim to increase the value and effectiveness of businesses. Konecranes pride themselves on improving efficiency and performance of businesses in all types of industries. Konecranes draws on global experience and knowledge combined with local know-how to provide lifting solutions and increase safety and productivity.

Konecranes is represented in Australia and New Zealand by Dr. Klaus Woeste, Regional Sales and Service Director Oceania, Port Solutions and can be contacted at klaus.woeste@konecranes.com.

Port of Brisbane CEO steps down

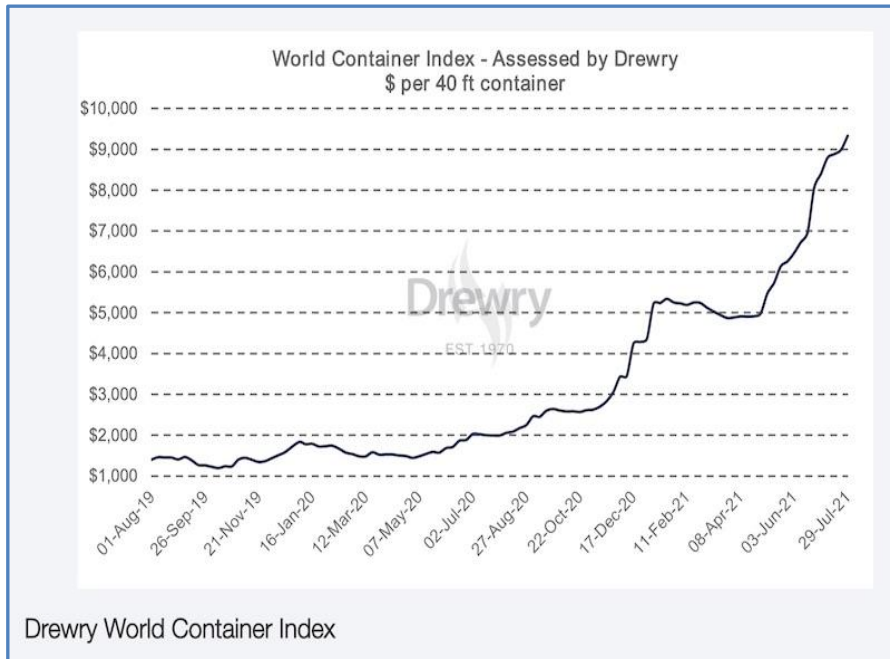
Port of Brisbane Pty Ltd (PBPL) recently announced that Chief Executive Officer Roy Cummins has tendered his resignation. PBPL Chairman Guy Cowan thanked Mr Cummins for his service as CEO. Roy has provided six years of dedicated leadership of our company, where he not only ensured excellent stewardship of our asset, but also delivered key value accretive asset enhancement projects," Mr Cowan said. "On behalf of the Board of Directors and the entire organisation, I'd like to thank Roy for his significant contribution, and wish him well in his future endeavours."

Mr Cummins said he was proud to lead the PBPL team for the last six years. "During my period of CEO, we have achieved a lot for our Security holders, our Port stakeholders and our community," Mr Cummins said. "We planned and delivered multiple major capital projects, cutting edge technology developments, implemented industry-leading Sustainability and Reconciliation strategies, and unlocked Port of Brisbane's property potential. It is now one of the most successful industrial property hubs in Queensland."

Mr Cowan confirmed that Chief Financial Officer Neil Stephens will act as interim CEO before undertaking a search for a new CEO.

Shipping rates continue to climb

Research firm Drewry's composite World Container Index recently reached \$9,330.28 per 40ft container, which is 368% higher than the same week in 2020. The average composite index of the WCI, assessed by Drewry for year-to-date, is \$6,090 per 40ft container, which is \$3,957 higher than the five-year average of \$2,133 per 40ft container.



Freight rates from Shanghai to New York soared 13% or \$1,562 to reach \$13,434 per 40ft container, a change of 300% year-on-year. Spot rates on Shanghai to Los Angeles increased 6% or \$550 to \$10,503 for a 40ft box. Similarly, rates on Rotterdam to New York grew 5% to \$5,624 per FEU. Freight rates on Shanghai to Genoa and New York to Rotterdam remain stable at the previous weeks level. Drewry expects rates to increase further in the coming weeks. In the meantime, shipping line profits are reaching record heights and importers and exporters are paying premium rates to get their cargo to and from their customers.

Weighing solution to be introduced in more Patrick terminals

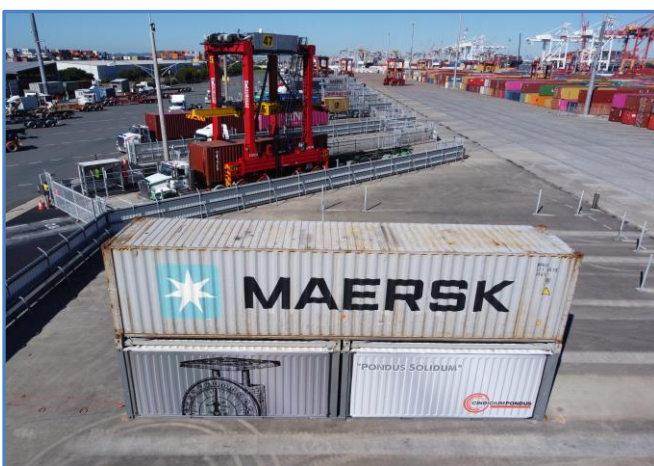


Photo supplied by Patrick

Following the completion of successful trials, Patrick Terminals Brisbane Autostrad officially launched their innovative compliance weighing solution called "Pondus" in April 2021. The initiative has been devised to help drive safety across the supply chain from transport companies to terminal operators and to vessels. The new weighing solution is assisting to identify misdeclared weights by statistically sampling containers for weighing and then automatically notifying customers of weight discrepancies (+/- 1t), thus allowing parties to better meet their SOLAS and road transport Chain of Responsibility obligations.

The Pondus stand is a 40-foot structural steel device developed by Cindicium, an Australian Company specialising in logistics enhancing technology. The weighing system contains modular load cells to weigh containers. The Pondus weighing system is compliant with OIML R76 Class 3 and complies with Australian Maritime Safety Authority (AMSA) regulations.

The system provides an indication of any potential weight nonconformity from the documented weight of a container. Containers with an indicative material deviation are identified for potential weighing on the Pondus stand on a statistical sampling basis. The number of import-export containers weighed depends on operational circumstances prevalent at the time. Recent data has revealed that a significant number of containers are being shipped with misdeclared weight in excess of 1 tonne against declared verified gross mass (VGM). This serves as a timely reminder and warning to ensure compliance at all points in the international trade supply chain.

Why is this important?

Since July 2016, the international Safety of Life at Sea Convention (SOLAS) has required shippers to obtain and document the verified gross mass of a packed container prior to vessel loading. Yet, the world's leading transport and logistics insurer, TT Club has identified that as much as two-thirds of cargo damage claims can be attributed to poor and improper packing. Overweight containers can damage the container and cargo, cause lift trucks and cranes to topple, exceed axle load limits on trucks, and more importantly can injure those working in the logistics industry, as well as the general public.

Where Patrick Terminals detects any misdeclared containers a 'weigh and adjustment' charge of \$230.00 per container plus GST is being applied to all containers identified as having a weight variance of greater than +/- one metric tonne within the documented weight. This charge is being levied on the relevant transport company for imports and the shipping line for exports.

Statistics provided by Brisbane Terminal Manager Matt Hollamby indicated that of those containers identified as being potentially misdeclared, the Pondus weighing process confirmed approximately 50% were indeed non-compliant. The selection of containers weighed comprised imports and exports in equal numbers and the instances of non-compliance followed a similar pattern. The range of non-compliance was most firmly centred around 2 to 5 tonnes, but some units were up to 10 tonnes misdeclared. Further investigation has revealed that mis-declared containers in the vicinity of the 2- to 5-tonne range is commonly the result of neglecting to include the tare weight of the container in VGM declarations.

The Pondus weighing system will be introduced in the Melbourne Patrick terminal in early October.

IPCC report critical about the use of LNG in ships



Photo: CMA CGM

The Intergovernmental Panel on Climate Change (IPCC) released a report recently warning that over the next 20 years, global temperatures are expected to reach or exceed 1.5° C of warming, meaning that we can anticipate increasing heat waves, longer warm seasons, and intensifying rain and floods. Placed high up in the firing line of the influential report is the harmful effects methane is having on the planet, something that ought to make the many shipowners who have opted for LNG-fuelled newbuilds shudder.

The report has a strong focus on methane, something that is emitted from LNG-powered vessels and by energy majors in creating LNG. The role of methane, aerosols and other short-lived climate pollutants had not been discussed by the IPCC until this week, but is now set to get much of the attention that CO₂ has had in recent decades. According to the IPCC, around 0.3° C of the 1.1° C of the warming already experienced across the world comes from methane. The report puts “a lot of pressure on the world to step up its game on methane,” said IPCC report reviewer Durwood Zaelke, president of the Institute for Governance and Sustainable Development in Washington DC. “Cutting methane is the single biggest and fastest strategy for slowing down warming,” Zaelke said.

In April this year, the World Bank issued a report on decarbonising maritime transport in which it specifically recommended countries pull back from investing in further LNG bunkering infrastructure. Taking a swipe at LNG as a fuel, the bank recommended that countries should avoid new public policy that supports LNG as a bunker fuel, reconsider existing policy support, and continue to regulate methane emissions.

“LNG is effectively liquefied methane, and methane is itself a highly potent greenhouse gas (GHG). Over 20-year and 100-year time horizons, methane is respectively 86 times and 36 times more potent a GHG than CO₂. Therefore, any GHG emissions from unburnt methane released to the atmosphere – called methane leakage – can diminish or even entirely offset the theoretical GHG benefit of the use of LNG,” the bank warned.

Keen to dismiss the methane leakage argument, two LNG bunker lobby groups revealed details in April of an independent, peer-reviewed study that claims GHG reductions of up to 23% are achievable now from using LNG as a marine fuel, depending on the marine technology employed. This is compared with the emissions of current oil-based marine fuels measured from well-to-wake. This report used the latest primary data to assess all major types of marine engines and global sources of supply with data provided by original equipment manufacturers including Caterpillar MaK, Caterpillar Solar Turbines, GE, MAN Energy Solutions, Rolls Royce (MTU), Wärtsilä, and Winterthur Gas & Diesel, as well as from ExxonMobil, Shell, and Total on the supply side. Methane emissions from the supply chains as well as methane released during the onboard combustion process – also known as methane slip – have been included in the analysis.

Peter Keller, chairman of lobby group SEA-LNG, commented at the time of the report’s release: “Often based on outdated data, methane slip has become an overused argument for those wishing to justify inaction.” The study claims that by 2030 methane slip will have been “virtually eliminated as technological improvements continue”.

Eligibility for ASIC and MSIC identity cards has changed

The eligibility criteria for the issuing of a Maritime Security Identification Card (MSIC) and an Aviation Security Identification Card (ASIC) have changed, effective 23 August 2021, in line with recent legislative changes through the Transport Security Amendment (Serious Crimes) Act 2021 (the Act). The Act sees both a strengthening of the criteria and an alignment of the MSIC and ASIC card criteria addressing areas of serious crime offences.

These changes have been distributed to all issuing bodies and in turn they were requested to advise all card holders. The changes will take effect from 23 August 2021 and applications will be assessed under the new criteria. It is important to note that current card holders who may not meet the new criteria will need to self-report to the department and a review of their card holding eligibility can take place.

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New CEO for the Australian Logistics Council

The **Australian Logistics Council** (ALC) has announced the appointment of Mr Brad Williams as its new chief executive officer. He commenced in the role on Monday 2 August. ALC Chair Philip Davies said Mr Williams brings with him more than 25 years' experience in policy development and advocacy across a range of sectors including agriculture, resources, government and energy. The ALC Board is delighted that Brad has taken up this key leadership role and is looking forward to working closely with him as we continue to support ALC's members, broaden ALC's impact and advocacy activities," Mr Davies said.

Mr Williams has held senior corporate affairs and government relations roles at the Australian Renewable Energy Agency, ASX listed mining and metals company South32 and Japanese oil and gas producer INPEX. He also served as a chief of staff to a former Deputy Prime Minister and Minister for Transport and Regional Services. "In welcoming Brad, I would also like to thank Ms Rachel Smith for the dedicated and engaged organisational leadership she has provided as ALC's Interim CEO," said Mr Davies.

BOXBAY tests completed



Source: DPWorld

DP World has completed testing of the BOXBAY high bay storage concept at the first full-size facility constructed at Jebel Ali port in Dubai, proving that the innovative technology works in the real world.

More than 63,000 container moves have been completed since the facility, which can hold 792 containers at a time, was commissioned beginning this year.

According to DP World, the test exceeded expectations with BOXBAY faster and more energy efficient than anticipated. BOXBAY is a Joint Venture between DP World and German industrial engineering specialist SMS group. The system stores containers in slots in a steel rack up to eleven high. It delivers three times the capacity of a conventional yard where containers are stacked directly on top of each other, meaning the

footprint of terminals can be reduced by 70 per cent. In BOXBAY, containers are moved in, out and between slots by fully electrified and automated cranes built into the structure. Individual containers can be accessed without moving any others. The whole system is designed to be fully powered by solar panels on the roof.

Compared to the original design, modifications made during the trial have improved performance and significantly reduced investment required for future installations. High performance levels of BOXBAY – 19.3 moves per hour at each waterside transfer table to the straddle carrier and 31.8 moves per hour at each landside truck crane – will also reduce the equipment needed in a terminal. Operating costs are also lower than anticipated, with energy costs better by 29 per cent, all at significantly reduced maintenance costs.

NQBP signs MoU to construct a hydrogen export facility at Hay Point

The Queensland Government-owned North Queensland Bulk Ports Corporation (NQBP) has signed a memorandum of understanding (MoU) with global and local partners for a proposed hydrogen export facility at the Port of Hay Point, south of Mackay. NQBP joined Dalrymple Bay Infrastructure, Brookfield, and international trading company ITOCHU Corporation to sign a MoU for the hydrogen proposal. The MoU will allow work on concepts to build a renewable hydrogen production, storage and export facility within the Hay Point port precinct to commence.

Dalrymple Bay Terminal is attracting interest as a green hydrogen production base due to its location in the centre of a Renewable Energy Zone, designated by the Queensland Government. The feasibility study will be conducted in phases, up to the final commercial production phase, with Phase I scheduled to begin during 2021. NQBP CEO Nicolas Fertin said NQBP is excited to work with existing stakeholders and new proponents and explore opportunities for hydrogen at Hay Point. “As part of our planning, we want to ensure new trades such as hydrogen can co-exist at our ports alongside our existing trades,” Mr Fertin said. “This is part of preparing for the decarbonisation of overseas industries and markets so that our ports can support the potential development of new trades that foster the economic development of our region.”

Queensland Minister for Energy, Renewables and Hydrogen Mick de Brenni said the Queensland Government’s focus on renewable energy, hydrogen and manufacturing was part of Queensland’s COVID-19 economic recovery plan. “That plan is about supporting regional economies through targeted investments that support job creation and workforce development,” Mr de Brenni said. “Hydrogen presents an incredible opportunity to create jobs and decarbonise our economy.

Updates from the Department of Agriculture, Water and the Environment

DCCC meeting

The Department of Agriculture, Water and the Environment Cargo Consultative Committee (the Committee) met via virtual platform on 9 August 2021. The Committee acknowledged the national biosecurity system was facing issues on multiple fronts, including increased supply chain complexity, changing consumer behaviour and trade patterns, and a greater array of pest and disease threats.

The Committee noted that the Australian Government had invested an additional \$400 million in biosecurity funding over the next four years, as it recognised the current approach to biosecurity management would not sustain efforts to meet these challenges. The recently issued *Commonwealth Biosecurity 2030 strategy* is the Department’s roadmap for change, with a focus on governance, technology, people, regulation and sustainable funding, and nine strategic areas of action. The Committee will consider progress against nine strategic actions at its next meeting. Members noted that strong

partnerships with industry and other stakeholders, and effective avenues for discussion and collaboration, will be critical to achieving success.

Members discussed progress of the *Biosecurity Portal* which will provide the ability to self-manage inspection bookings, allowing users to see all their requests in the one place. A small number of industry participants will trial the portal from September 2021, with end-to-end testing to be completed before the portal is made available for broader release. The Committee will meet again in November 2021. ICHCA Australia is a member of the Committee.

BMSB season

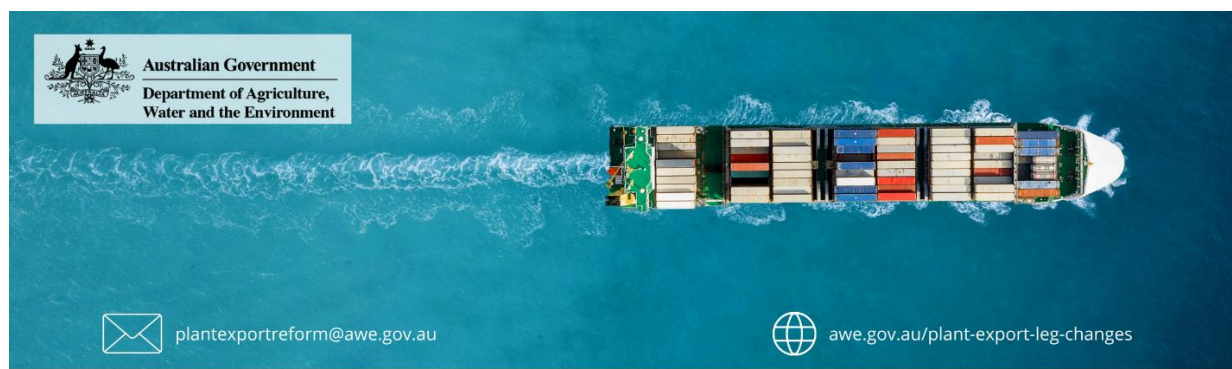
The Brown marmorated stink bug season has commenced (1 September) and will be in force until 30 April 2022. For more information on the BMSB visit the [Department's website](#).

Khapra beetle

From 30 September 2021, new import conditions will commence for high-risk plant products imported via commercial pathways. The new import conditions will apply to air freight and sea freight, including LCL (Less than Container Load) and FCL/FCX (Full Container Load/Full Container Consolidated) containers. The requirements will exclude seeds for sowing and goods that are imported for research purposes coming as low value freight (less than \$1000). The conditions will vary depending on whether the country of export for the products is a khapra beetle target risk country or not. For more information on the khapra beetle visit the [Department's website](#).

Changes to plant export legislation

The department would like to hear your feedback on proposed changes to plant export legislation. Your feedback will help inform an additional formal public consultation process, which is scheduled for late September 2021. Stakeholders will be provided with details on this consultation process closer to the date. For more details see the [Department's website](#).



We are proposing changes to Australia's plant export legislation and want to hear from you...

We are proposing changes to the Plant Rules 2021 to improve the survey and inspection practices of **bulk vessels for export**.

For details on the changes visit: awe.gov.au/plant-export-leg-changes

Let us know what you think of the changes.
Submit your feedback to plantexportreform@awe.gov.au.
Preliminary feedback closes **11:59PM AEST on Sunday 12 September 2021**.

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