

#### November 2022

# **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 <a href="www.ichca-australia.com">www.ichca-australia.com</a>. The ICHCA international website is at <a href="www.ichca.com">www.ichca.com</a>. To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at <a href="peter.van-duyn@ichca.com">peter.van-duyn@ichca.com</a> or telephone 0419 370 332.

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# **ICHCA International welcomes Transport Events**

ICHCA International (ICHCA) is delighted to welcome Transport Events, the organisation responsible for coordinating some of the largest trade events in the industry, as a new member. This new partnership has been welcomed by both parties as a framework to support their mutual interest in the dissemination of knowledge, best practice and commentary on the challenges and issues facing the global cargo-handling community.

In welcoming the new member, ICHCA International CEO Richard Steele stated, "Co-operation with key industry organisations is critical to the safe and efficient performance of today's increasingly complex supply chains. At ICHCA we remain committed to our efforts to improve safety, security and sustainability and with the help of Transport Events Limited, we can continue to spread our key messages across Africa, Asia and Europe." With nine events already planned for 2023, Transport Events Limited is a leading organiser of influential industry forums around the world. Managing Director Rory Doyle commented on the union, "For a number of years we have admired the dedicated work of ICHCA in providing guidance on safety and other crucial issues in the cargo handling industry. We share many of the Association's values and through our network of meetings and conferences, we hope to give an even louder voice to the important ICHCA messages in the future."

The current calendar of events hosted by ICHCA's new member can be found here: TRANSPORT EVENTS

# 2022 Australian Shipping and Maritime Industry Awards



ICHCA Australia congratulates all winners and finalists in the DCN Australian Shipping and Maritime Industry Awards gala night, held recently in Melbourne.

ICHCA members NSWPorts, NQBP, Port of Brisbane and Patrick Terminals were finalists or winners in several award categories.

Source: DCN

# GeelongPort sale

US infrastructure giant Stonepeak has bought Victoria's second-largest port, GeelongPort, in a joint deal estimated to be worth \$1.1 billion with Australian industry super fund Spirit Super. GeelongPort owners State Super and Canadian asset manager Brookfield recently announced the sale. It is the first Australian investment for Stonepeak, which has US\$52 billion (A\$78 billion) of assets under management and focuses on transport and logistics.

Stonepeak will hold a 70 per cent interest in GeelongPort, with the \$25 billion superannuation fund Spirit Super holding the remaining 30 per cent. GeelongPort facilitates more than \$7 billion in trade and manages almost 12 million tonnes of cargo a year, servicing the agriculture, construction, energy and tourism industries. The port operates across 90 hectares with 15 berths over two primary precincts. A new facility for the *Spirit of Tasmania* ferry was completed recently.

# Lithium batteries whitepaper published

Insurers TT Club (a member of ICHCA) and UK P&I Club have teamed up with scientific consultants, Brookes Bell, and issued a whitepaper highlighting the continuing safety threat created by the transportation of lithium-ion batteries. Publication of a whitepaper brings greater awareness of the dangers inherent in the transport of lithium-ion batteries, particularly by sea. The increased demand for 'green power' for a wide range of portable devices such as mobile phones, mobility aids and recreation, manufacturing and power storage, through to larger products, such as electric vehicles will undoubtedly result in an exponential rise in the production and transport of these batteries in the coming years.

The whitepaper outlines many of the challenges facing the transport industry and raises awareness of the potentially catastrophic situation that can be caused by battery failure, thus in part correcting the widely held perception in the maritime community that risks in the supply chain of such products are relatively small. Commenting on the need for rapid recognition of the risks, TT's Risk Management Director Peregrine Storrs-Fox said, "Recently, serious and sometimes catastrophic incidents involving lithium-ion batteries have become more commonplace, with fires reported in all modes of transport – ocean, air and land -- as well as in warehouses and where such consignments are at rest."

As Loss Prevention Director of the UK P&I Club, Stuart Edmonston is no stranger to the damage ship fires can cause. "The consequences of battery failure and the resultant thermal runaway must be clearly understood and the correct procedures for handling them adhered to throughout their lifespan. The dangers can exist no matter the status of the battery; charged, semi-charged, used, second-hand or scrap, and whether present in devices and vehicles or packaged separately."

The topics covered in this comprehensive whitepaper include details of the science behind lithium-ion batteries, the dangers associated with transporting them and why they arise, such as insufficient testing and incorrect declaration. The paper also provides a review of current dangerous goods (DG) regulatory provisions, focusing on the International Maritime Dangerous Goods (IMDG) Code, with recommendations for change or further work. The final section of the paper discusses the current state of the firefighting provision and changes that could be implemented.

The authors don't limit their risk prevention advice to technology aimed at extinguishing fires once begun, but also put forward guidelines to help pre-empt dangerous incidents by correct classification and declaration, safe and effective packaging, mandatory markings and labelling, uniformity of regulations regarding testing, and suitable storage environments while batteries are awaiting transport.

The joint paper outlines several calls to action, impacting not only those tasked with moving this commodity and their regulators, but most importantly, any industries involved in manufacturing or using this increasingly crucial power source, who enter the goods or related products into the freight supply chain.

The full text of the 'Lithium batteries whitepaper' can be downloaded here.

# Changes to MARPOL

Amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI came into force on 1 November 2022. Developed under the framework of the Initial IMO Strategy on Reduction of GHG Emissions from Ships, agreed in 2018, these technical and operational amendments require ships to improve their energy efficiency in the short term and thereby reduce their greenhouse gas emissions. From 1 January 2023 it will be mandatory for all ships to calculate their attained Energy Efficiency Existing Ship Index (EEXI) to measure their energy efficiency and to initiate the collection of data for the reporting of their annual operational carbon intensity indicator (CII) and CII rating.

IMO Secretary-General Kitack Lim said, "The short-term GHG reduction measures, adopted in 2021, form a comprehensive set of amendments to MARPOL Annex VI, which provide important building blocks for IMO's future mid-term greenhouse gas reduction measures. Decarbonizing international shipping is a priority issue for IMO and we are all committed to acting together in revising our strategy and enhancing our ambition. These latest amendments build on IMO energy-efficiency measures which were first adopted in 2011 and strengthened since - the CII and EEXI measures represent the next stage in our work to meet the targets set in the Initial IMO GHG Strategy."

As the requirements for EEXI and CII certification come into effect on 1 January 2023, the first annual reporting will be completed in 2023, with initial CII ratings given in 2024.

# SCT freight train derails near Geelong

A freight train recently derailed in Victoria leaving a pile-up of damaged shipping containers on the tracks. The incident occurred between Inverleigh and Gheringhap (30 km west of Geelong). Victoria was experiencing severe weather and heavy rainfall at the time.

The Australian Transport Safety Bureau said the derailment involved a number of wagons from a mixed freight train from the main line west of Geelong. The incident caused damage to wagons and track infrastructure. The Melbourne-Adelaide rail corridor has been closed as a result.



"The service derailed with containers displaced on both sides of the track and some within an adjoining paddock," an Australian Rail Track Corporation (ARTC) representative said. "There were no injuries to the train crew and there were no dangerous good containers impacted by the incident. The Office of the National Rail Safety Regulator has been notified and the Australian Transport Safety Bureau has taken control of the site."

Containers at the scene of the train derailment. Source: ABC

The Australian Transport Safety Bureau (ATSB) has launched an investigation into the derailment. ATSB Chief Commissioner Angus Mitchell said the Chief Investigator, Transport Safety (CITS) will conduct the investigation on behalf of the ATSB.

"CITS has deployed a team of transport safety investigators with experience in railway operations, maintenance and engineering to the accident site, to begin the evidence collection phase of the investigation," Mr Mitchell said. "Investigators will survey the site and collect any relevant components for further examination and analysis. They will also obtain and review any recorded data, weather information, witness reports, and relevant train and track operator records."

Mr Mitchell said a final report detailing contributing factors and any identified safety issues will be published at the conclusion of the investigation.

The ARTC declared the track open approximately a week after the event.



### Patrick Terminals to provide landside performance data

Patrick Terminals has announced the commencement of two new voluntary landside efficiency initiatives. Patrick will commence the publication of quarterly landside performance metrics for Sydney, Melbourne, Brisbane and Fremantle. The metrics will broadly align with the Victorian Voluntary Port Performance Model which was developed by Freight Victoria in consultation with transport operators and industry bodies. Patrick will also hold Representative Landside Efficiency Groups in Sydney, Melbourne, Brisbane, and Fremantle. These groups will focus on developing solutions which support landside performance and the overall efficiency of Patrick's terminals and provide information about Patrick Terminals' landside investment program. A Charter governing these groups will be published on Patrick's website.

CEO of Patrick Terminals Michael Jovicic said, "Patrick Terminals has maintained a significant landside investment and innovation program, delivering significant productivity benefits for landside customers and end consumers. I am pleased to announce these voluntary initiatives to further support Patrick Terminals' landside focus." Patrick has appointed Rita Antranik to the position of National Intermodal Manager. Rita will work closely with landside customers to drive engagement focused on landside productivity benefits.

Patrick Terminals is a member of ICHCA Australia.

### AMSA detains bulk carrier

The Australian Maritime Safety Authority (AMSA) has banned the Panamanian-flagged bulk carrier Costanza from Australian ports for three months for underpaying crew wages. AMSA boarded the Constanza earlier this month for a routine port state control inspection and to investigate a complaint from the International Transport Federation (ITF) about underpayment of seafarer wages. During the inspection, AMSA inspectors found evidence that crew were owed about A\$108,000 (approximately US\$72,700) in wages. The majority of the crew seafarer employment agreements also had a salary amount less than the collective agreement for the vessel. The ship was immediately detained for breaches of the Maritime Labour Convention (MLC).

"Taking financial advantage of seafarers in this way is nothing short of exploitation. The majority of industry operators do the right thing by their seafarers, but for the few who do not, consider this a reminder that you will be held accountable. We do not tolerate the exploitation of seafarers in our waters," AMSA Executive Director of Operations Michael Drake said. AMSA, however, said it has received confirmation from the ship's operator, Orient Line Corp. Japan, that the affected seafarers have now been paid their outstanding wages. The vessel has therefore been released from detention but once it departs, it will not be permitted to approach or enter an Australian port for three months, until February 9, 2023.

# HHI develops lashing-free vessel concept

South Korean shipyard Hyundai Heavy Industries (HHI) has developed a new containership concept that does not require fixing of containers. HHI said that the novel lashing-free containership design, described as the world's first, has won design approval from the American Bureau of Shipping (ABS) and the Liberian Flag Administration.

Currently, after loading containers inside a cargo load, a containership closes the hatch cover, and to maximize the capacity, loads another series of containers on top of that. As a result, it is necessary to fix the containers loaded on the hatch cover to a steel structure called a lashing bridge that serves as a support to prevent the cargo from moving during operation. The securing of cargo to minimise shifting in transit is also known as 'lashing'. The lashing-free container ship uses a new concept device called a 'portable bench (SkyBenchV2)' that receives the load of the containers loaded on the upper deck and transfers it to the hull, eliminating the lashing bridge and hatch cover. HHI said that it has instead extended the cell guide, a device that allows vertical alignment and stacking of containers, above the deck. As the container loaded on the upper deck is fixed by the expanded cell guide, there is no need for lashing. HHI says that by omitting lashing, loading operations are more efficient, saving time and money, while at the same time eliminating safety accidents during lashing as well as the issue of lost containers at sea.



Source: Google

Note from the ICHCA Company Secretary:

This concept is not new as I worked on these types of vessels during my time at Patrick in the 1990s. The issue is that the cell guides on deck lengthen the quay crane cycle time considerably which affects crane productivity, hence this concept was discontinued. It will be interesting to see how this plays out. It works well on smaller feeder type vessels. The picture shows the *Nedlloyd Honshu*, one of the earlier hatch-less vessels.

# **MWPA** appoints new managers

Mid West Ports Authority (MWPA) has appointed two new senior executives, Chief Operating Officer, Mr Courtney Ackland, and Trade and Commercial Manager, Mr Tony Corbett. Courtney Ackland is a local Geraldton resident and has worked at Iluka Resources Limited (Mid West) for the last eight years, six of these as Operations and Registered Manager. Mr Ackland has a strong working knowledge of the shipping and logistics industries with accountability for Iluka's Mid West shipping, road haulage, and product storage requirements. Mr Ackland will commence in 2023.

Tony Corbett has been the Trade Development Manager at the Port of Newcastle, NSW, for the last five years, culminating in around 30 years of experience in the ports and logistics sectors. Mr Corbett has

significant experience in developing the diversification of product mix for a port operation, a key strategic objective at MWPA. Mr Corbett will commence on 1 December 2022.

"With MWPA embarking on the \$350m Port Maxmisation Project, this is a significant opportunity for both these positions as we embark on a very exciting future here at the port." MWPA CEO Damian Tully said.

### TT Club advocates vigilance on container ship fires

Regulation and improving fire-fighting techniques have proven inadequate to stem the tide of serious incidents costing lives, significant cargo losses and ship damage. The freight transport and logistics insurance specialist insurer, TT Club is continuing its battle to convince cargo interests, supply chain professionals and enforcement agencies that the responsibility for mitigating container ship fires is shared by numerous entities across the entire global supply chain.

"There were significant lessons coming from the sad incident on the MSC Flaminia, which cost the lives of three seafarers, particularly from the subsequent legal proceedings that adjudged the shipper and non-vessel-operating carriers responsible for root cause errors," says TT's Peregrine Storrs-Fox.

Ensuring compliance with the latest mandatorily applicable version of the IMDG Code is essential as a minimum standard for all those shipping dangerous goods by sea. But the liability judgment in the MSC Flaminia case made it clear that regulations merely set the baseline. "This is an important statement to which any entity inclined to rely solely on the letter of the law when consigning dangerous goods, would do very well to pay heed," said Storrs-Fox.

TT advocates a comprehensive approach, striving to bring an understanding of all the factors contributing to these fires to everyone involved in the movement of cargo in containers and therefore underlining their responsibilities for safety. Errors, misunderstandings, mis-declarations and inadequate packing and securing lie at the heart of many significant incidents, both at sea and in storage facilities. Movement of cargo is initiated in the trading of goods – sellers and buyers – who instruct packers and the shipper. They have a duty of care as much as the packers, warehouse operators, forwarders, logistics companies, carriers of all modal types, cargo handlers and terminal operators. Attention to accurate classification and declaration are critical to improve certainty of outcome from end to end. This requires truth as much as awareness of regulations and sound safety practices.

TT's efforts to disseminate such awareness and knowledge have been long-standing and remain prolific. Along with its sister insurer, the UK P&I Club it has recently up-dated its guideline publication, **Book it Right and Pack it Tight.** This provides key insights for all involved in dangerous goods' shipments, including a clear explanation of the more technical aspects of the IMDG Code. The aim is to influence higher standards of compliance by assisting all involved to understand their own duties and the duties of their contractual partners.

Closely related to the issues specific to dangerous goods are the broader aspects of packing cargo in general. While the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code) remains non-mandatory international law, it is clearly referenced from the IMDG Code. Through its participation in the Cargo Integrity Group, TT has contributed to work on the CTU Code - a quick guide. This has been recently updated and assists those responsible for packing containers and accurately declaring details of their contents to more easily access the guidance contained in the voluminous CTU Code itself. There is also a useful Checklist of actions required, which along with the Quick Guide is available in multiple languages.

# **Updates from the Department of Agriculture, Fisheries and Forestry**

#### **Enhanced Biosecurity Portal**

The department is working with industry to co-design a new service model and enable industry to interact with the department online through the Biosecurity Portal. The Portal allows clients to lodge and manage requests for an import inspection at any time in a centralised online location. The Portal means inspections at your fingertips - no manual forms, one central location, time saved, and more visibility with 24/7 access to your Agriculture Import Management System (AIMS) directions information and inspection bookings. The department will be closely monitoring for any resultant disruption while these significant reforms are deployed and staff transition to a new way of operating,

#### **Changes to Biosecurity cost recovery**

Australia's biosecurity system is becoming more complex and like industry and the rest of the world, the department is continuing to respond to changing global and domestic travel, trade and climate patterns. The demand for regulatory activities has also increased, together with industry expectation of faster clearances and efficiencies at the border.

The department is working to ensure it can fund existing and future regulatory activities, meet industry expectations, and continue to manage biosecurity risk into the future. In the 2021-22 Budget, the Australian Government committed \$96.9 million over 4 years to better manage the risk of hitchhiker pests and diseases that can cause considerable cost and disruption to agricultural production, the environment, and the way of life of all Australians. The program is to be funded through a combination of existing departmental sources and cost recovery from industry. This commitment reflects the growing risk posed by hitchhikers because of rising trade volumes, supply chain complexities, and the concurrent movement of pests and diseases around the world.

The department advised its intent to cost recover for its increased efforts to manage hitchhiker risks through the 2021–22 Biosecurity Cost Recovery Statement (CRIS), published on 25 March 2022. It has also been raised at various industry forums such as the Department's Cargo Consultative Committee (DCCC). To achieve this, the Full Import Declaration charge for sea cargo (Sea FID) for each declared consignment arriving by sea will increase from \$49 to \$58, commencing 16 January 2023.

#### Change at the top

First Assistant Secretary Colin Hunter is stepping down from the Biosecurity Operations Division. Ms Tina Hutchinson will take over the role commencing 5 December. Ms Hutchinson has extensive experience in biosecurity and trade as well as being an experienced First Assistant Secretary in the department.

#### **BPL** season commences

The 2022-23 Burnt Pine Longicorn (BPL) flight season commenced on 22 November. The department commenced its heightened surveillance regime for managing the risks posed by BPL beetles on vessels departing from New Zealand from 00:01 hours (NZST) on Saturday 19 November 2022. After the submission of pre-arrival reporting by vessel masters or shipping agents, the Maritime Arrivals Reporting System (MARS) will email a BPL Questionnaire to targeted vessels. The department's National Maritime Centre officers will then advise, through the Biosecurity Status Document issued from MARS, if a BPL inspection or any specific measures are required. The department requests vessel masters and crew to remain vigilant for BPL and advise the department of any suspected detections of BPL as soon as possible.

#### **DCCC** meeting

A DCCC was recently held in Melbourne. A meeting communique will be published on the department's website in due course.

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