

August 2023

About ICHCA – International Cargo Handling Co-ordination Association

The International Cargo Handling Co-ordination Association (ICHCA) is an international, independent, notfor-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 <u>www.ichca-australia.com</u>. The ICHCA international website is at <u>www.ichca.com</u>. To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at <u>peter.van-duyn@ichca.com</u> or telephone 0419 370 332.

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ICHCA SA luncheon

The SA chapter of ICHCA Australia will hold an industry luncheon in Adelaide on Thursday 14 September. Guest speaker is Jon Whelan, Chief Executive, SA Department for Infrastructure and Transport.

The event commences at 12:00 and will be held at Coopers Alehouse Gepps Cross, 560 Main N Road, Blair Athol, SA. For more details and bookings please visit: ICHCA Australia Events - ICHCA Australia - ICHCA Australia - ICHCA Australia (ichca-australia.com)

TT Club Innovation Safety Award 2023



The TT Club Safety Awards 2023 will open to entrants on 4 September. This award was set up with the purpose of celebrating safety innovation in the global freight supply chain. Award entrants are required to show that a product, idea, solution, process, scheme, or other innovation has resulted in demonstrable improvement in safety.

New CEO for Infrastructure Australia

The Australian Government recently announced Adam Copp as the Chief Executive Officer (CEO) of Infrastructure Australia (IA), the Commonwealth's independent adviser on nationally significant infrastructure investment. Mr Copp has been acting in the role since 1 August 2022 and has now been appointed for a three-year term. He has over 15 years' experience in the Australian Government holding a range of policy, strategy and engagement roles across infrastructure, workplace relations and the Council of Australian Governments. Adam Copp was appointed by the IA Board after it undertook a publicly advertised and merit-based selection process.

IA is an independent body that conducts research and advises government and industry on issues relating to infrastructure. The body issues the Infrastructure Priority List, which details proposals for important infrastructure that are yet to be funded by the federal government.

Panama Canal limits the number of transits

The Panama Canal, one of the world's busiest trade routes, has been restricting traffic throughout 2023 as it attempts to manage dropping water levels due to a prolonged drought. The restrictions on daily vessel transit numbers through the Panama Canal are expected to remain for at least 10 months, according to officials of the Panama Canal Authority. Brought in to address concerns over a lack of water due to an extended drought in the area, the restrictions have caused a backlog of vessels around the Canal. Neopanamax vessels have had their draft reduced from 15.2 metres to 13.4 metres, which dramatically reduces their cargo-carrying capacity. Of the container vessels transiting through the Canal, 11.5% are panamax and 47.8% are neopanamax. The container segment has priority which means the vessels that will seek alternative routes are more likely to be dry bulk (coal and grain).

If this reduced cargo-carrying capacity continues, neopanamax vessels servicing the US East Coast might also have to look for other routes. The Suez Canal routing is 1,800 nautical miles longer (from Shanghai to New York), but the distance from South China is less than 400 nautical miles longer, and Southeast Asia is actually closer. Another option is using US West Coast ports and land bridge containers to the East Coast.

ICHCA director Peter van Duyn was recently interviewed by the ABC on this topic, which can be found here: https://www.abc.net.au/news/2023-08-26/why-is-the-panama-canal-drying-up-and-what-it-means-for-shipping/102780142

Silk Logistics acquires Secon Freight Logistics

ASX-listed Silk Logistics Holdings has entered into a binding agreement to acquire Melbourne-based Secon Freight Logistics, which started as a family business founded by Jim Seide and Maurie Considine in 1969. According to a recent ASX announcement, the acquisition price comprises \$30 million payable in cash and \$5 million in Silk shares. The transaction is expected to be complete by 30 September, subject to the satisfaction of customary conditions, including consents to change of control from major customers and landlords.

Current CEO Daniel Considine and other members of the Considine family will continue in their existing roles following the deal being finalised. Secon operates with approximately 160 staff across two strategically located sites in Victoria and provides specialised port logistics, bulk logistics, warehouse, and distribution services. According to the ASX acquisition statement, Secon generates annual revenue of over \$65 million, as well as strong margins and operating cashflow.

"The acquisition of Secon adds immediate scale to Silk's Victorian footprint, consistent with our strategy as an integrated 'port-to-door' provider," said Silk CEO Brendan Boyd. "Further, this acquisition provides Silk with a significant platform in national bulk logistics, unlocking demand from our existing blue chip customer base as well as other potential cross-selling opportunities."

Change at the top at DP World

DP World recently announced the appointment of Nicolaj Noes as Executive Vice President for Oceania at DP World Asia Pacific. Noes succeeds Andrew Adam who has left the organisation to pursue other opportunities. Noes will be responsible for overseeing DP World's business in Oceania and driving its ongoing transformation into an end-to-end supply chain solutions provider.

Noes was most recently the Managing Director for Svitzer, a leading global towage provider, in Australia and brings with him more than three decades of experience in the maritime industry, working across Asia and Europe. Prior to his time at Svitzer, Noes spent 30 years with Maersk, holding various leadership positions in Singapore, Australia, China, and Denmark.

Glen Hilton, CEO & Managing Director for Asia Pacific, DP World, said: "With his depth of experience in maritime industry, his passion for serving customers, his commitment to develop and inspire his team, Nicolaj is the perfect leader to take DP World forward and accelerate the company's growth opportunities across Oceania."

Nicolai Noes said: "I am honoured to join the DP World's talented team in Asia Pacific and lead the Oceania team. I have tremendous regard for the company's rich history and purpose, that is to make the world flow and change what's possible for everyone. I look forward to leveraging my experience to further strengthen DP World's position across the Oceania supply chain and deliver exceptional value to our customers, partners, and stakeholders."

Amazon to build major FC in Melbourne

Amazon Australia recently announced plans to open its Amazon Robotics fulfilment centre (FC) in Melbourne at the Australian Super-owned Craigieburn Logistics Estate in Craigieburn, north of Melbourne. Expected to be completed in 2025, the new site will house up to 25 million of the smaller items that are sold on the Amazon website. The new fulfilment centre will be equipped with advanced Amazon robotics technology with the company claiming that it will better help employees, serve customers, and contribute to the company's efforts to deliver a seamless experience for its Australian customers.

The fulfilment centre will span around 209,000 square metres across four levels, making it the largest warehouse ever built in Australia (beating Amazon's Western Sydney robotics site by 9,000 m²). Commenting on the company's investment in Melbourne, Amazon Australia's Country Manager Janet Menzies said: "We're proud to be making this significant investment in Victoria, creating around 2,000 job opportunities to support the local economy. These are the jobs of the future and offer the opportunity to work alongside advanced technology and earn competitive pay in a safe and positive work environment."

The construction of this second robotics site follows the successful launch of Amazon Australia's first robotics site in Western Sydney in 2022, which doubled the company's operational footprint.

VICT increases capacity



The International Container Terminal Services, Inc. (ICTSI) facility at the Port of Melbourne, Victoria International Container Terminal (VICT), is extending its equipment fleet with the installation of six new automated stacking cranes (ASC).

The additional ASCs, purchased as part of VICT's continuing expansion project, will operate on three new yard modules, increasing the terminal's yard and reefer capacity by 30% and 4%, respectively.

Source Google

In addition, 15 new truck grids will be installed on the landside, increasing slot availability by 30%. VICT is also adding two larger ship-to-shore (STS) cranes to its fleet, bringing the total number of STS cranes to seven. The new cranes will be able to extend across 22 containers on deck, allowing them to handle up to 14,000-TEU-neopanamax ships. Furthermore, the quay line will be expanded by 71 metres to accommodate two 336-metre-long vessels berthing at the same time.

The extension is expected to be operational by the beginning of 2024, with an expected increase in VICT's annual throughput capacity from 250,000 TEU to 1.25 million TEU.

Ports Victoria CEO resigns and heads north

Brendan Webb has announced that he is stepping down as CEO of Ports Victoria. Mr Webb will leave Ports Victoria in September and will take up the role of CEO at North Queensland Bulk Ports (NQBP). Starting in October, Webb will take over from acting CEO Belinda Kenny, who has led the government-owned port authority during the recruitment process following the resignation of previous CEO Nicolas Fertin in December last year.

"We believe that Brendan is the right person to lead NQBP to deliver on our long-term vision to be global leaders in the sustainable facilitation of port trade and further the economy of Queensland," said NQBP chair Jane McTaggart. "Brendan has a strong commitment to Mackay and north Queensland, having previously worked in the Mackay region for 11 years." Webb has extensive commercial experience, having held senior leadership roles in heavy haulage and mining support sectors. "He has experience in commercial sales, trade development, and 24/7 operations including safety and emergency management," McTaggart said.

NQBP is one of Australia's largest port authorities by tonnage throughput with around half of Queensland's trade, by tonnage, passing through the four NQBP ports of Hay Point, Mackay, Abbot Point and Weipa.



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AMSA ban bulk carrier for 12 months

A bulk carrier charged with "appalling treatment of seafarers" has been banned from Australian ports for a year. The Australian Maritime Safety Authority (AMSA) said that Liberian-flagged bulk carrier *MSXT Emily* had been involved with serious wage theft and seafarer mistreatment. A tip-off from the International Transport Workers' Federation (ITF) led AMSA to inspect the ship at the Port of Hay Point, in Queensland,

and found evidence of several violations of the 2006 Maritime Labour Convention. The vessel had been chartered by K-Line to load a cargo of coal for discharge in Japan.

ITF alleged that seafarers onboard the vessel had not been paid in accordance with their Seafarer Employment Agreements. Four such agreements were alleged to include apparently forged signatures from employees, while five seafarers appeared to have been coerced into signing new employment agreements, which had lower salaries. AMSA inspectors found evidence that more than \$77,000 in wages had been owed to seafarers working onboard the *MSXT Emily*. AMSA said that the ship's operators (MSM Ship Management) attempted to pay the amount owed once they were aware that AMSA inspectors were onboard.

AMSA Executive Director of Operations Michael Drake said it had been a serious case of seafarer mistreatment. "Wage theft, forgery and coercion are serious matters, and I have been deeply troubled to hear of the conditions on the *MSXT Emily*," he said. "The workforce conditions onboard this vessel are a disgrace, and AMSA will not tolerate this in Australian waters.

The *MSXT Emily* is flagged in Liberia and owned by Fortune Equality Carriers Ltd, care of manager China Minsheng Trust Co Ltd of Beijing, China. ISM manager is MSM Ship Management Pte of Shandong, China. It is entered with Skuld (Skuld Hong Kong) on behalf of Fortune Equality Carriers.

DP World is expanding its capacity at Yennora DC

DP World is expanding its supply chain solutions in Australia through a new investment in Stockland's Yennora Distribution Centre (DC) in Sydney. By early 2024, DP World will almost double its warehousing capacity at Yennora by adding three new warehouses with a combined area of nearly 45,000 sqm, to create a major contract logistics hub. These new warehouses – along with an existing 60,000-square-metre facility at the site – will be operated in partnership with AWH, Australia's biggest warehousing provider.

The expanded facility will provide customers with a full end-to-end supply chain service, connecting importers and exporters to a range of logistics services via rail and road. The Yennora DC is one of the southern hemisphere's largest distribution centres, and among six intermodal terminals servicing the greater Sydney area. The centre operates as an intermodal terminal with rail sidings connected to Main Southern Rail Line providing direct connectivity to Port Botany and DP World's Sydney Terminal and container park facility for imports and exporters within the zone. DP World will also play a critical role in co-designing a new masterplan for the Yennora DC with owner Stockland, one of Australia's largest diversified property groups.

Svitzer appoints new Managing Director

Chief Commercial Officer Videlina Georgieva has been promoted to Managing Director of Svitzer Australia, replacing outgoing MD Nicolaj Noes who will be leaving Svitzer to take on a new opportunity (see able article on DP World). Videlina Georgieva brings a deep understanding of Svitzer's business and operations, including within Australia where she has been part of delivering significant commercial results throughout her 13 years with Svitzer, and most recently as the organisation's Global Chief Commercial Officer.

Svitzer CEO Kasper Friis Nilaus congratulated Videlina Georgieva on her appointment and said it was fantastic to be able to appoint internally for the role, reflecting the strong leadership talent within Svitzer: "Based in Sydney and with her long tenure and strong track record, Videlina is excellently placed to continue driving Svitzer's strategic focus in Australia and Papua New Guinea. This includes continuing to unlock value for our customers, for instance through partnering with them on their decarbonisation agendas."

Kasper Nilaus also expressed his thanks to Nicolaj Noes for his leadership of Svitzer Australia over the last five years and to the wider Maersk group over the last 30 years. "Nicolaj has led Svitzer through significant change during his tenure and is held in high regard by colleagues, customers and stakeholders alike for his leadership. He leaves the business in a strong position and with a talented, experienced team in place across the region."

Updates from the Department of Agriculture, Fisheries and Forestry

BMSB season commences

Brown Marmorated Stink Bug (BMSB) seasonal measures will apply to targeted goods manufactured in or shipped from target risk countries, that have been shipped between 1 September 2023 and 30 April 2024 (inclusive), and to vessels that berth, load, or tranship from target risk countries within the same period.

Note: The shipped on board date, as indicated on the Ocean Bill of Lading, is the date used to determine when goods have been shipped. "Gate in" dates and times will not be accepted to determine when goods are shipped. The Department continuously reviews the measures throughout the season and may make necessary adjustments based on detections of BMSB and changes in the risk pathways.

Biosecurity Protection Levy

The Department has published information about the Biosecurity Sustainable Funding on its website, including a consultation paper on the design and implementation. The Biosecurity Protection Levy is a key component of the Sustainable Biosecurity Funding Budget measure. The Biosecurity Protection Levy is to be implemented from 1 July 2024 with the intended levy rate equivalent to 10% of 2020-21 agricultural levy rates, or another comparable metric, where such levies were not in place. An opportunity to have some input can be reached at the Have your Say page here. Submissions are open until Friday 6 October 2023.

Industry and biosecurity stakeholders are encouraged to consider the consultation paper and provide feedback. If you have any questions or would like to discuss the biosecurity protection levy, please don't hesitate to contact the Department at secretariatBSF@aff.gov.au.

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