

# September 2023

# **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 SA luncheon**

On Thursday 14 September, ICHCA South Australia hosted a successful business luncheon at Coopers Alehouse Gepps Cross with over 40 delegates attending. Keynote speaker was Jon Whelan, Chief Executive



of the Department for Infrastructure and Transport. In his presentation, he gave an overview of the proposed delivery of infrastructure for SA.

The Department is responsible for the delivery of billions of dollars of investment in road and public transport infrastructure, including \$5.3 billion for North-South Corridor and \$6 billion for social infrastructure projects, over the next four years.

Michael Simms, ICHCA Australia's SA state chair, thanked Mr Whelan for his insightful presentation and guests enjoyed a two-course lunch with plenty of opportunity for networking.

# **TT Club Innovation Safety Award 2023**

The *TT Club Innovation in Safety Award 2023* is now open to entrants. This award was set up to celebrate 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.



Following the recent success of this annual award, the 2023 award will continue to form the centrepiece of TT Club and ICHCA's ongoing efforts to encourage players in the freight transport and cargo handling sectors to improve operational safety and efficiency through innovation

ICHCA launched the 2023 TT Club Innovation in Safety Award on 4 September,

inviting entrants to submit details of their innovations by 13 November 2023. The award, which is open to an individual, team or company involved in cargo logistics, has seen the prestige associated with winning or being highly commended, grow year-on-year.

Submit your application here: https://ichca.com/entering-the-tt-club-innovation-in-safety-award-2023

## Maersk launches methanol-enabled vessel

The world's first methanol-enabled container vessel will carry the name "Laura Mærsk", the EU Commission President Ursula von der Leyen revealed recently at a ceremony in Copenhagen.



"Laura Maersk is a historic milestone for shipping across the globe. It shows the entrepreneurial spirit that has characterized Maersk since the founding of the company. However, more importantly this vessel is a very real proof point that when we as an industry unite through determined efforts and partnerships, a tangible and optimistic path toward a sustainable future emerges."

Source: https://maritime-executive.com/

"This new green vessel is the breakthrough we needed, but we still have a long way to go before we make it all the way to zero." Maersk CEO Vincent Clerc said.

The name "Laura" is deeply rooted in some of the company's very early innovative landmarks. When Captain Peter Maersk Moller bought his first steamship in 1886, he named her "Laura". With its steam engine, "Laura" was a product of the second industrial revolution, making its impact on the shipping industry significant. Furthermore, "Laura" was the first vessel to wear the white seven-pointed star on a light blue background. This symbol later would become the logo of A.P. Moller - Maersk.

Maersk has an ambitious 2040 target of net zero greenhouse gas emissions and aims to transport a minimum of 25% of Ocean cargo using green fuels by 2030. The 2,100-TEU feeder vessel is considered an important step toward the long-term objective of gradually renewing the entire Maersk fleet to operate solely on green fuels. Maersk has 24 additional methanol vessels on order for delivery between 2024 and 2027 and a policy to only order new, owned vessels that come with a green fuel option.

#### More alternative fuelled vessels on order

A total of 62 alternative-fuelled vessels were ordered in July, including a record number of methanol-fuelled ships, according to the latest figures from Det Norske Veritas (DNV)'s Alternative Fuels Insight (AFI) platform. Last month saw a record 48 new methanol-fuelled ships added to the AFI platform, including 15 retrofits.

The LNG-fuelled newbuild orderbook continues to climb with 14 newbuilds ordered in July. DNV noted that July orders brought the total number of LNG-fuelled crude oil tankers on order past the 100 mark, of which 65 are already in operation. Martin Wold, Principal Consultant in DNV's Maritime Advisory business, highlighted the growing number of methanol-fuelled ship orders and retrofits. June saw 29 methanol ships added to the AFI platform, including retrofits.

"Beating last month's record by a solid margin, orders for methanol-powered vessels have now jumped past the 200 mark," said Mr Wold. "The significant number of new confirmed orders and retrofits for methanol coincides with the delivery of the world's first methanol fuelled container vessel and the signing of the first bunker supply agreement for green methanol for ships."

July's numbers bring the total number of alternative-fuelled vessels ordered this year to 190, with LNG and methanol leading the charge. Containerships constitute about half of the LNG-fuelled orders and 80% of the new methanol-fuelled orders, DNV said in in its June report.

# **UNCTAD** publishes Review of Maritime Transport 2023 report

The United Nations Conference on Trade and Development (UNCTAD) published its latest *Review of Maritime Transport report* on World Maritime Day (28 September). The 2023 document outlines many important points on where shipping is heading.

The report calls for a "just and equitable transition" to a decarbonized shipping industry. The sector, whose greenhouse gas emissions have risen 20% over the last decade, operates an ageing fleet that runs almost exclusively on fossil fuels. UNCTAD advocates for system-wide collaboration, swift regulatory intervention and stronger investments in green technologies and fleets.

Full decarbonization by 2050 will require massive investments and could lead to higher maritime logistics costs, raising concerns for vulnerable shipping-reliant nations like small island developing states. The report emphasizes the need to balance environmental goals with economic needs but underscores that the cost of inaction far outweighs the required investments. The UN agency reported that an additional \$8 billion to \$28 billion will be required annually to decarbonise ships by 2050, and even more substantial investments (\$28 billion to \$90 billion annually) will be needed to develop infrastructure for 100% carbon-neutral fuels by 2050.

An analysis of global maritime trends highlights shipping's resilience despite major challenges stemming from global crises, such as the war in Ukraine. Maritime trade is expected to grow 2.4% in 2023 and more than 2% between 2024 and 2028.

The report can be downloaded here: https://unctad.org/publication/review-maritime-transport-2023



# WSC wants to strengthen cargo safety standards

Misdeclared dangerous goods continue to cause fires and explosions onboard containerships, endangering lives and the environment. The World Shipping Council (WSC) is taking action to strengthen cargo safety standards and protect the supply chain.

Containership fires have been on the rise, often due to misdeclared hazardous cargo. According to the 2023 Allianz Safety and Shipping Review, there have been 64 reported fires on containerships in the past five years. In 2022, fire-related incidents at sea increased by more than 17% compared to the previous year. One of the key factors contributing to these fires is hazardous cargo that has not been declared, misdeclared or that has not been properly packed by shippers. Despite regulations, misdeclaration and non-declaration of dangerous goods in transport pose challenges, increase the risk of ship fires, and make firefighting more difficult.

To combat the risks, the WSC is taking the lead in implementing safety measures to protect lives, the marine environment, and cargoes and vessels. They recently announced the development of a shared industry process for cargo screening and inspections, building on existing screening processes and policies used by member carriers. The Cargo Safety Program, a voluntary initiative, will use a digital solution consisting of a Common Screening Tool, Verified Shipper Database, and Database of Approved Container Inspection Companies, provided by an independent third-party vendor.

The system's main function is to screen booking information using a keyword library and risk algorithm to identify high-risk bookings. These bookings will undergo further investigation and/or inspection to prevent dangerous goods from entering the supply chain. Continuous improvement of the screening tool will be based on lessons learned from experience. The WSC says this common safety approach will help reduce risks related to non-declared or improperly declared dangerous goods, while also improving compliance with regulations and streamline the transport of compliant dangerous goods.

"A common industry approach to cargo safety will create a safer working environment, not only for ship crews, but for everyone involved in inland transport or working in ports and terminals, as well as for the communities around us," says John Butler, President and CEO of the WSC. "For shippers, it will make ocean transport more efficient and dependable, by stopping dangerous shipments that can disrupt the supply chain."

The WSC is now launching a Request for Proposals from independent third-party providers to develop digital tools and manage the Cargo Safety Program process.

# IPPC workshop in Brisbane

The International Plant Protection Convention (IPPC) and the Department of Agriculture, Fisheries and Forestry in July hosted the *International Workshop on Pest Risk Mtigation of Sea Containers and their Cargoes and the Facilitation of International Trade* in Brisbane. ICHCA Australia's Peter van Duyn participated in this workshop and wrote the following article, first published in the DCN magazine, September 2023.

In July I attended the IPPC Workshop on Pest Risk Mitigation of Sea Containers and their Cargoes in Brisbane representing ICHCA International. The three-day workshop was organised by the International Plant Protection Convention (IPPC) in conjunction with the Australian Department of Agriculture Fisheries and Forestry (DAFF) and was attended by over 150 delegates from countries all over the world, including industry stakeholders and governments represented by their National Plant Protection Officers (NPPOs).

The IPPC (formed in 1951) is multilateral treaty situated within the Food and Agriculture Organization of the United Nations (FAO). It aims to secure coordinated, effective action to prevent and control the

introduction and spread of pests of plants and plant products. By doing so, the IPPC helps protect farmers from economically devastating pests and diseases. This is especially important for countries like Australia where the agricultural industry would be severely affected if pests, such as the Brown Marmorated Stink Bug and the Khapra Beetle, established themselves on our shores (they are currently not) and would result in an estimated \$20 billion damage bill to our industry and damage our reputation as a provider of clean agriculture products. Australia is not alone in risking damage to its agriculture industry; many other countries would suffer a similar fate if certain pests could establish themselves on their shores.

Insects and soil-borne plant pathogens have been known to travel across the globe in or attached to the exterior of containers, commonly known as hitch-hiker pests. There are globally about 20 million containers in circulation representing about 250 million moves per year. Consequently, the risk of spreading pests in containers across the globe is enormous. Container cleanliness, and its cargo, has been discussed for a number of years between stakeholders such as the biosecurity departments of countries, NPPOs and industry organisations representing container owners, shipping lines, container manufacturers, freight forwarders, packers, port authorities, marine terminal operators, shippers, importers, and exporters. Whilst desirable, it is impossible to inspect every container entering a country as this would negatively affect the container logistics supply chain as well as create a number of occupational health and safety issues by having to inspect all six sides of the container. So, the discussion amongst all stakeholders is, what constitutes an acceptable risk and what is the solution? A working group within the IPPC has been trying to find a solution which is acceptable to industry as well as the biosecurity organisations in countries trying to protect their agriculture industry. This working group has met several times over the years, with the workshop in Brisbane a follow-up, and is hoping to finalise recommendations for pest mitigation in containers in the future.

There were a number of presentations at the workshop from government agriculture departments from countries such as New Zealand, Canada, the US and Australia. Industry organisations such as the Global Shippers Forum, Freight & Trade Alliance and the World Shipping Council also presented their views. Several academic institutions and private companies presented research on what could be done to minimise contamination. These presentations and subsequent discussions will inform the IPPC's Commission on Phytosanitary Measures (CPM) focus group in its recommendation to a plenary meeting of the IPPC members in 2024. The workshop presentations are available at: International workshop on pest risk mitigation of sea containers and their cargoes and the facilitation of international trade - defining the way forward - International Plant Protection Convention (ippc.int)

During the workshop several new initiatives were presented that could assist in the early detection of hitch-hiker pests, such as:

- eDNA and eRNA technology which detects the presence of certain pests/eggs in the container
- Camera systems placed on the quay crane which detects contamination on the outside of the container
- An App which assists in the detection of pests when packing/unpacking the container
- Tracking of the container history to determine if it has been transiting recently through pest affected countries on prior voyages.

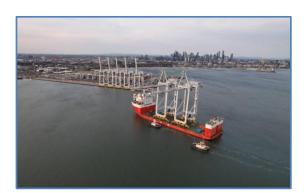
Most of these initiatives are still in the development stage and will need further evaluation. One of the most promising, in my view, is a modified container design which minimises the ability of insects, eggs and/or soil to hide in cracks inside the container or to stick to the underside bearers and side girders of the container through making these smoother and/or enclosed. Field tests have shown that this new design has the potential to minimise contamination dramatically. On the final morning of the workshop a visit to Qube Logistics in the Port of Brisbane was organised to show delegates examples of the process of cleaning and fumigating contaminated containers and cargo as well as demonstrating what can be done to minimise contamination with a modified container.

Whilst there are no immediate concrete outcomes from the workshop it is hoped that the information that was presented and collated will assist the IPPC's Commission on Phytosanitary Measures focus group in

forming a workable solution for all parties concerned that minimises the spread of hitch-hiker pests in the future but does not impede the smooth flow of goods across the globe.

# **New cranes for VICT**

Victoria International Container Terminal (VICT) has received two new quay cranes in Australia. The new cranes are part a \$235 million expansion that aims to boost VICT's capacity to 1.25 million TEU. VICT CEO



Bruno Porchietto said the cranes have a hoist height of 49 metres, which is 10 metres higher than the five cranes already at the terminal.

"We are now ready to receive the biggest vessels that will come to Australia as part of the upsizing strategy undertaken by all the major shipping lines in the world, which will see an increasing number of supersized vessels sailing into Port Phillip Bay and mooring at VICT, the only terminal in Melbourne that can receive them," Mr Porchietto said.

Source: VICT

The cranes, manufactured by ZPMC, have an outreach of 60 metres and are capable of operating 22 containers across on a vessel. Mr Porchietto said the outreach is 10 metres longer than that of existing cranes, which are capable of handling 19 containers across. Lashing platforms for removing or placing pins in the containers are mounted 15 metres high and would improve production times compared to the existing cranes where pinning is completed at quay level.

"Like our existing cranes, these new cranes are operated remotely and are fully automatic," Mr Porchietto said. VICT's expansion project, which includes an extension of the wharf and additional container yard space, is scheduled for completion at the end of the year.

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

## **DCCC** materials published

ICHCA Australia participated in the Department of Agriculture, Fisheries and Forestry Cargo Consultative Committee (DCCC) meeting no. 95 held on 6 July 2023. The DCCC is a committee for the Department and international trade and logistics service provider industries to consider tactical and strategic biosecurity-related international trade/logistics issues to ensure effective biosecurity outcomes.

The DCCC Meeting 95 materials are now published and available on the department's website: **Department of Agriculture, Fisheries and Forestry Cargo Consultative Committee - DAFF.** 

#### Ongoing processing delays

The department anticipates that its ability to meet the client service standards timeframes for the assessment of import documentation of non-urgent commodities will come under further pressure in the short to medium term. However, the department anticipates that it will continue to meet the published service standards timeframes for urgent commodities. High volumes of entry lodgements continue to be received and the department expects this trend to continue with the commencement of the 2023-24 Brown Marmorated Stink Bug (BMSB) season.

The department has not been immune to the workforce pressures experienced by the broader economy. Tight labour markets have created capacity pressure through staff retention and attraction challenges. Budgetary pressures that lead to recruitment restrictions during the 2023-24 financial year have impacted the department's ability to achieve desired staffing levels. Self-Assessed Clearance (SAC) workload remains at high levels and is expected to increase in the lead up to the traditional Christmas peak.

# **ICHCA Contacts**

# **ICHCA Australia Chairman**

John Warda

Mobile: 0417 875 113

Email: jpwarda@bigpond.com

# **Company Secretary**

Peter van Duyn

492 George St, Fitzroy VIC 3065

Mobile: 0419 370 332

Email: peter.van-duyn@ichca.com

## State co-ordinators

#### **New South Wales**

Marcus John

Mobile: 0413 486421

Email: marcus.John@thomasmiller.com

#### South Australia

Michael Simms

Mobile: 0418 802 634

Email: Michael.Simms@fphgroup.com.au

#### Queensland

Sallie Strang

Mobile: 0412 604 842

Email: sallie.strang@jaiota.com

#### **Victoria**

Peter van Duyn

Mobile: 0419 370 332

Email: peter.van-duyn@ichca.com

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