

### February 2024

# **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="mailto:peter.van-duyn@ichca.com">peter.van-duyn@ichca.com</a> or telephone 0419 370 332.

### Inside this issue

About ICHCA – International Cargo Handling Co-ordination Association	1
Inside this issue	1
ICHCA SA luncheon	2
The TT club Innovation Safety Award	2
TT Club Global Risk Assessment Director Laurence Jones to retire	3
ICHCA International welcomes new member RightShip	3
ICHCA Australia welcomes new member OMC International	3
Study on container safety on ships	4
Moorebank Interstate Terminal receives its first train	5
Margaret Saib appointed as new chair of ALC	5
Kalmar set to go its own way	7
AMSA bans bulk carrier	7
Svitzer to go it alone	7
Updates from the Department of Agriculture, Fisheries and Forestry	8
ICHCA Contacts	q

### **ICHCA SA luncheon**

ICHCA SA will hold its first industry networking luncheon for 2024 on **Thursday 14 March** at Coopers Alehouse Gepps Cross, 560 Main N Road, Blair Athol.

The keynote speaker is Trent Kolbig from Flinders Adelaide Container Terminal (FACT). Trent will be sharing his valuable insights into the state's only container terminal. He will provide an overview of port operations and the opportunities and challenges that lie ahead to accommodate larger vessel calls into South Australia. Trent will also talk about the Flinders Port Holdings wider group's Master Plan with particular focus on cyber security and carbon strategy initiatives.

More details and the registration form for the luncheon are available on the ICHCA Australia Events page soon. Please hurry as bookings are limited.

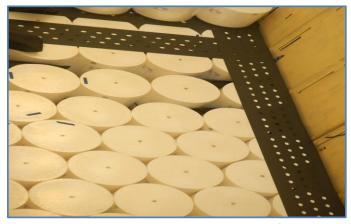
The event is sponsored by:



# The TT club Innovation Safety Award

From a shortlist of 3 chosen by judges from a total of 28 outstanding entries for this year's competition, the partnership between Cross Currents 88 and G2 Ocean AS was announced as the winner of the TT Innovation in Safety Award at a presentation ceremony in London. The 2 highly commended innovations came from Royal Haskoning DHV and Trendsetter Vulcan Offshore.

Independently organised by ICHCA, the TT Club Innovation in Safety Awards reflect both organisations' missions to promote and improve safety in all operational aspects of the supply chain. In encouraging innovation, the Awards are aimed at showcasing products, processes and services that address safety issues, to as wide an audience as possible, in an increasingly complex and challenging industry.



The successful shortlisted entries offered solutions to preventing potentially fatal falls in cargo holds, enhancing mooring safety and improving the safety and stability of containers on board ships. In a competitive final, "Spyder Netting" from Cross Currents 88 and G2 Ocean AS was declared the winner.

ICHCA CEO Richard Steele said, "Falls from height during cargo operations is a vitally important risk to be managed. Spyder Netting, a thin layer of plastic film which can be rolled

out across gaps and secured between layers of cargo, has already saved lives. Cross Currents has been personally thanked by a stevedore whose fall was arrested by the netting."

More details can be found here: Cross-Currents-88-G2-Ocean-AS-Spyder-Netting.pdf (ichca-news.com)

### TT Club Global Risk Assessment Director Laurence Jones to retire

Well-known industry figure Laurence Jones will retire after a career of over 50 years, with the last 18 years as Global Risk Assessment Director at cargo handling insurance specialist TT Club. Laurence has announced that 2024 will be his final year.



During his 18 years with TT, based in Sydney, Laurence has consistently championed safety in the port and terminal industry to assist the TT membership, and the industry at large, in becoming safer and more secure. His range of industry experience has provided considerable value to TT, further enhancing the insurer's global reach and credibility in the broader industry. Laurence has been a Director of ICHCA International and their technical committees since 2008 and a Director of ICHCA Australia since 2010. His expertise will be sorely missed.

# ICHCA International welcomes new member RightShip

With safety at the core of this digital platform's environmental, social and governance (ESG) focused risk mitigation services, RightShip is a fitting new addition to the ICHCA International. ICHCA is committed to its core mission to improve the safe working environment of all those handling cargo across the international maritime supply chain and encourages all relevant operators, organisations, data and service suppliers and consultants to engage in constructive dialogue. The news that RightShip has joined ICHCA is therefore a significant development in progressing towards these goals.

RightShip is based in Australia and is a leading global digital maritime platform that provides expertise in global safety, sustainability, and social responsibility practices. Founded with the mission to drive operational improvements in the global shipping industry, clients have access to due diligence, environmental and inspection services to help them manage risk and improve overall maritime safety standards.

For the full press release, click here.

### ICHCA Australia welcomes new member OMC International

ICHCA Australia is very happy to welcome OMC International as a new member. OMC International is an Australian maritime engineering company delivering multi-award-winning digital port solutions and e-Navigation technologies. With over 30 years' experience, OMC is an industry leader in providing under-keel clearance solutions. OMC's e-Navigation technology is designed to improve transit for large commercial ships in draft-restricted entrance channels and waterways. The technology determines and manages a ship's Under Keel Clearance (UKC) dynamically and in real-time.

OMC has a strong research focus, and its Melbourne-based team of maritime and software engineers continue to commercialise new safety products. These include the automated ship scheduling tool DUKC® Optimiser, which maximises total tide tonnage and the ship motion measurement instrument OMC iHeave.

More information on OMC International can be found on their website.

# Study on container safety on ships

Norwegian marine insurance group Gard has released a comprehensive new study exploring the effects of weather on the collapse of container stacks. The research sheds light on the increasing risk caused by rising wave heights and reveals the varying weather exposures of different operators.



Containerized trade has been growing steadily as the global economy expands. Last year, the world's container shipping fleet grew roughly 4%, according to UNCTAD. In Gard's P&I portfolio, the segment expanded by a staggering 16% over the past five years, now making up 18% of its insured vessels.

As the number of container ships increases, so does the risk of casualties. Incidents such as stack collapses or lost containers at sea are closely monitored due to their severity. The International Maritime Organization (IMO) is paying attention to the issue of

container losses and is working to make the reporting of lost containers mandatory. Insurers and other key stakeholders are also involved in detailed projects to investigate the causes of stack collapses and seek resolutions.

To contribute to industry understanding, Gard studied all cases of stack collapse between 2016 and 2021 where it was involved as a P&I insurer. The study examined weather data to understand the factors contributing to these incidents. The data were combined with geographical and meteorological data from Windward, which includes estimated wave height and wind strength on an hourly basis. The analysis showed how the weather progressively worsened over time leading up to the incidents.

Container stack collapses occur across different vessel sizes, indicating multiple causative factors. Despite more incidents on smaller vessels, there's a clear correlation between incident frequency and vessel size. The 6-year average claims frequency for stack collapses on smaller feeder vessels is 1%, whereas for ultralarge container vessels, it rises to 9%. Also, the risk of incidents significantly increases during adverse weather conditions, despite these conditions making up a relatively small proportion of a vessel's journey. The study focused on the 7-day period leading up to an incident.

Examining the global container fleet, roughly 3.4% are exposed to adverse weather at any given time. Interestingly, among various size segments, the new Panamax 1 segment (8,000 to 12,000 TEU) appears to have a higher exposure to wave heights of 7 metres and above compared to any other size category. This trend is also evident for wave heights around 4 metres. The exposure to adverse weather also varies between different operators, likely due to differences in risk tolerance and internally defined weather thresholds for the vessels. This discrepancy can have significant implications for the safety of the vessel and the cargo.

In conclusion, the study emphasises that exposure to worsening weather presents a clear risk, and the industry needs to reconsider their weather thresholds and provide seafarers with appropriate tools for evaluating the risk of intricate phenomena such as rolling. Further, the study authors suggest that maintenance of securing equipment and cargo securing within containers need to be considered, and effective weather routeing should be included as key performance indicators.

The full study can be found here.

### Moorebank Interstate Terminal receives its first train

The interstate rail terminal at Moorebank in Sydney's south-west is on track for commissioning in April, according to logistics company Qube. The terminal is part of the Moorebank Logistics Park, a 240ha site which also includes an already operational rail link to Port Botany, warehouses and road links.



Left: Qube recently tested trains through the Moorebank Interstate Terminal currently under construction.

The terminal is owned by a consortium led by property investor Logos Property Group, with the rail component managed by Qube in conjunction with Australian Government-owned National Intermodal. When completed, it is envisioned that the interstate terminal and adjoining intermodal freight facilities will improve the movement of container freight by rail between Port Botany and south-western Sydney.

Photo: Qube

A Qube spokesperson said, "We recently ran a test train into the terminal, and this proved very successful, with the train carrying six containers seamlessly moving through the terminal. On that basis, we remain confident that we will meet the revised delivery timetable we announced at our full-year results in August 2023 and look to be on track for completion and commissioning of the new terminal in April."

Port Botany is Australia's second-largest container port and handles one-third of the country's container volumes. "The interstate will be a welcome addition to the Moorebank precinct, creating significant freight efficiencies between interstate capitals and further strengthening supply linkages for customers to warehousing and other facilities, and of course to Port Botany," the Qube spokesperson said. "Once complete, the terminal will be capable of processing 1800-metre-long interstate trains, each removing the equivalent of approximately 120 trucks of freight and consumer goods from the road network. All up, the initial development will have capacity of 250,000 TEUs and be able to process around 1000 trains per year. The ultimate design capacity of the terminal is for 2000 trains and 500,000 TEUs per annum."

Qube is a member of ICHCA Australia.

# Margaret Saib appointed as new chair of ALC

The Australian Logistics Council (ALC) has announced Air Vice Marshal Margaret Staib as its new independent chair. Ms Staib began her career as a military logistician with the Royal Australian Air Force, and later also served as commander of joint logistics and commandant of the Australian Defence Force Academy.

Ms Staib was honoured with the United States Meritorious Service Medal for her work on supply chain transformation at the Pentagon, and the Conspicuous Service Cross for outstanding achievement supporting military aviation. Following her military career, she became CEO and MD of Air Services Australia, where she focused on air safety, navigation technology and cultural change. Ms Staib remains a non-executive director. In April 2020, she was appointed as the Australian government freight controller, where she oversaw the International Freight Assistance Mechanism, a crucial Covid-19 response program.

ALC CEO Dr Hermione Parsons said, "The appointment of Margaret Staib as our independent chair marks the beginning of an exciting chapter for the ALC. With Margaret at the helm, we are poised to build on this foundation and drive the industry forward." Ms Staib will take over from the outgoing independent chairman Philip Davies. Dr Parsons has thanked Mr Davies for his contributions to the ALC and the industry, particularly during the challenges posed by Covid-19.





### TT club Year in Focus

Future sustainability of the sometimes-fragile global supply chain must revolve around a fundamental safety culture throughout all operators and organisation involved, determines international freight and cargo handling insurer TT Club. The importance of culture within an organisation, particularly where safety is concerned, cannot be underestimated," says TT's Logistics Risk Manager Josh Finch. "Safety is everybody's responsibility, and everybody has a voice in safety matters. A strong safety culture will positively impact safety performance."

In an increasingly risk intense global supply environment, a greater emphasis on safety will help avoid critical incidents such as fire, cargo damage and vessel loss, which further exacerbate shortages, congestion and human suffering. This message underpins the loss prevention work of TT Club and is exemplified in many studies and reports published in the insurer's latest review of risk trends: **2023 – a year in Focus.** 

TT's view of a pervasive safety culture is highlighted in articles in the publication. Analysis of its own claims data and detailed research into a range of risks across the supply chain has contributed to reports on, and advisable actions to mitigate invasive pest in freight containers; increased cyber security risk as ports automate; increased customs documentation errors and clandestine immigration threats; help from drone technology and the dangers of plastic micro pellet spillages.

"TT Club has recently witnessed a renewed focus and commitment towards loss prevention activities, with additional emphasis placed on the Club's mission statement to make the industry safer, more secure and more sustainable," comments Loss Prevention Managing Director Mike Yarwood. "Greater safety goes hand-in-hand with enhanced security and consequently sustainability. TT Club's mutual ethos demands that we guide those we insure – and indeed the wider industry – in all aspects of risk through the container transport and global logistics supply chain. Via our latest *Year in Focus* we aim to add to the large cannon of knowledge and guidance." The report can be downloaded here.

TT Club is a member of ICHCA International and ICHCA Australia.

# Kalmar set to go its own way

In 2023 the Board of Directors of Cargotec, a Finnish company that makes cargo handling machinery for ships, ports, terminals and local distribution, decided to investigate and initiate a process to potentially separate its core businesses Kalmar and Hiab into two standalone companies. Based on the initial assessment, the Board of Directors of Cargotec has estimated that the separation of Kalmar and Hiab could unlock shareholder value by allowing each business to pursue sustainable profitable growth opportunities independently.

After assessing the strategic alternatives for Cargotec's core businesses Kalmar and Hiab, the Board approved a demerger plan concerning a partial demerger of Cargotec in February 2024. The planned partial demerger would be a logical next step in Cargotec's previously announced aim to increase the independence of its businesses. The aim of the planned transaction is to create two focused world-leading listed companies. Kalmar is a leading provider of cargo handling equipment which is used widely in Australia.

### **AMSA** bans bulk carrier

The Australian Maritime Safety Authority (AMSA) has issued a 'refusal of access Direction' to the Liberian-flagged bulk carrier *KMAX Leader*, effective 15 February 2024, which bans the ship from entering Australian ports for 12 months. The Direction was issued because of serious safety violations and breaches of Australian legislation committed by the ship's Master and owner while in Gladstone Harbour.

KMAX Leader first experienced mechanical issues on 26 October 2023, reporting unidentified engine room vibrations. On 28 October, the ship's agent advised work had commenced on the mechanical issues and would take 8 to 10 days to complete. These repairs were not completed in this timeframe. The ship was left disabled in the Port of Gladstone during cyclone season, presenting a real risk to safety within the port. Since the ship's arrival in Gladstone, two cyclones have hit the Queensland coast. Multiple Direction Notices were issued requiring the ship's classification society to conduct a damage survey and report on repair work and for the ship to advise AMSA of towage arrangements and an updated repair plan. The ship did not comply with these Direction Notices, and the owners repeatedly failed to engage with AMSA about the situation.

AMSA Executive Director Operations Michael Drake said AMSA took its role as a maritime safety regulator very seriously and did not hesitate to take swift and appropriate action against unsafe ships, their owners and their operators. "The lack of information forthcoming from the owners of *KMAX Leader* has been very disappointing," he said. "AMSA expects all ship operators and Masters to engage promptly, transparently and meaningfully. International standards exist to protect the lives of seafarers, and our precious marine and coastal environments. They are not 'optional'."

# Svitzer to go it alone

A.P. Møller - Mærsk A/S (Maersk) announced recently that it has decided to initiate a separation and public listing of its towage and marine services activities in Svitzer through a demerger. Svitzer CEO Kasper Nilaus said, "We were established by Emil Z. Svitzer in 1833 to prevent the loss of life and capital at sea. We have built on that legacy over many years and are widely recognised within the maritime and shipping sector as a trusted partner. The announcement today signals an exciting new chapter for Svitzer, one that ensures our commitment to delivering efficient, reliable and safe towage and marine services to our valued customers is as strong and dynamic as ever."

Svitzer has been part of the Maersk Group of companies for more than 40 years. In 1979 Maersk became a majority shareholder of Svitzer and acquired it shortly after.

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

#### **DCCC** meeting

The next DCCC meeting will be held on 20 March 2024. If you would like any issues brought to the attention of the DCCC, please notify Peter van Duyn who will represent ICHCA Australia at the meeting.

#### **New traceability grants**

The Australian Government provides grant funding to support opportunities to secure value-added benefits for agricultural industries, deliver improved traceability outcomes, and provide national leadership. Activities may also support effective responses to biosecurity outbreaks and changing market and consumer requirements. Applications opened on 15 February 2024 and will close on 27 March 2024 for the *Building Trust in Australian Agricultural Traceability and Credentials in Southeast Asia* grant round.

The Building Trust in Australian Agricultural Traceability and Credentials in Southeast Asia Grant Round is part of the Australian Trade System Support – Cultivating Australia's Agricultural Traceability – Promoting and Protecting Premium Agriculture measure. The grant round will support collaborative agricultural traceability projects in our region that will assist implementation activities under the National Agricultural Traceability Strategy 2023 to 2033.

Find out more about this grant round here.

### Changes to the BPL

Following feedback from industry, the Federal Government recently announced changes to the Biosecurity Protection Levy (BPL) on track to be introduced on 1 July. The news came from Minister for Agriculture, Fisheries and Forestry Murray Watt as he fronted Senate Estimates. While it has been cautiously welcomed by a number of industry bodies, some find little to like in the revised model.

Criticism is largely centred around a lack of detail on what each commodity will pay, and the model's potential overlap with existing levies already paid by growers and others in the supply chain. In a statement, the government said changes have been made following feedback from industry bodies and stakeholders. The statement said:

Rates will now be set according to an industry's average share of gross agriculture, fisheries and forestry production over a rolling three-year period. The rates will be set using a common and equitable basis for all industry sector products and goods and will not be set by reference to 2020-21 agricultural levy rates. In addition, imposition of the levy will be tailored to individual products and goods to reduce multiple imposition points across a product's supply chain. Also, these changes will ensure that sectors who previously would not have contributed to the BPL, because they do not collect levy payments, are included in the contributions.

#### **ISCP Working Group meeting**

The Imported Sea Container Pathway (ISCP) Working Group is an advisory group established to co-design and support the implementation of a new policy for managing contamination and hitchhiker pests on the imported sea container pathway. The group will hold its inaugural meeting on the 5 March. If you want any issues raised, please notify Peter van Duyn, the ICHCA Australia representative at the meeting.

### **ICHCA Contacts**

### **ICHCA Australia Chairman**

Scott McKay

Mobile: 0411 042 130

Email: scott@flywheeladvisory.com.au

### **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

#### Victoria

Peter van Duyn

Mobile: 0419 370 332

Email: peter.van-duyn@ichca.com

# ICHCA AUSTRALIA LIMITED (IAL) PRIVACY POLICY

IAL's Privacy Policy details are available by contacting the Company Secretary, Peter van Duyn, via e-mail <a href="mailto:peter.van-duyn@ichca.com">peter.van-duyn@ichca.com</a> or telephone 0419 370 332.

### Our contact with you

If you do not wish to receive further copies of this newsletter, please advise <a href="mailto:peter.van-duyn@ichca.com">peter.van-duyn@ichca.com</a> and the distribution will be cancelled. If you wish to have it sent to other people in your organisation or contacts in the cargo handling industry, please advise us.