

August 2024

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 VIC event

ICHCA Australia, in conjunction with the Supply Chain and Logistics Association of Australia (SCLAA) recently held a successful event at Bells Hotel in South Melbourne. Keynote speaker Paul Bloxham, Chief Economist



at HSBC, delivered a masterclass on the current global economic headwinds for 2025. Later, Paul joined the panellists Brendan Richards (Rebound Advisory) and Sandy Pavey (Xperiential), who offered advice and strategies on working capital management and business restructuring/insolvency for the post-COVID trading environment.

MC of the event and moderator ICHCA director Nigel Edwards ensured all questions from the audience were put to the panel. Overall, it was a very pleasant evening with great food that provided an opportunity for networking between members of ICHCA and SCLAA.

ICHCA Australia looks forward to developing further sessions on interesting and pertinent issues.

Megatrans 2024

ICHCA Australia is participating in Megatrans 2024. It will be held at Melbourne Convention and Exhibition Centre on 18 and 19 September. Leaders from across the supply chain will gather in Melbourne to discuss the future of the logistics industry. For more details, go to: https://megatrans.com.au

VISIT US AT MEGATRANS2024



ICHCA QLD Logistics Long Lunch



The ICHCA Logistics Long Lunch is back and will be held this year on Friday 27 September. Come and join us at the Brisbane Maritime Museum to enjoy premium drinks and sumptuous food served all afternoon.

We missed 2023 but hope to build on our inaugural event in 2022, which was a huge success.

More details and the registration form are available on the ICHCA Australia Events page.

The ICHCA QLD Long Lunch is proudly sponsored by:





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Top one hundred container ports in 2023 by Lloyds List

The post-pandemic boom that helped the global container port sector recoup Covid-induced volume losses, started to fade in 2022. For the world's container ports, this meant a return to the days of moderate demand growth — a trend that had become a firm fixture for the industry pre-Covid. The 100 ports featured in the latest rankings count achieved combined volume growth of 1.5% in 2022, with total liftings stacking up to 685.8 million TEU.

China's strong showing and resilient Middle East economies provided at least some relief to the year's otherwise subdued growth environment, helping offset the demand shortfall from a post-pandemic hangover, one felt most notably in Europe and across the Americas. The plus side of a more moderate demand picture was that it granted ports, and container shipping in general, much needed respite from the chronic congestion that had choked supply chains throughout 2021.

With one challenge over, however, another began. Indeed, the operational landscape for the world's highest volume container ports did not get any easier in 2022. Russia's invasion of Ukraine at the start of the year triggered a massive shock to a global economy still reeling from the effects of the worst pandemic in a century. Energy and food prices skyrocketed amid a supply squeeze, doing little to lift the lid on inflationary pressure or quell sky-high interest rates in the Western world. For the major container ports, the turmoil in Eastern Europe further dampened an already bleak demand setting and quashed any hopes of a quick return to pre-pandemic norms.

The Port of Melbourne and Sydney's Port Botany both featured on the list, placing 66 and 77 in the rankings, respectively, despite both seeing a decreased throughput for 2023, and both ports falling from last year's rankings. Melbourne's throughput fell by 5.9% from 2022 to 2023, with Lloyd's pointing to rising interest rates, inflation, and cost-of-living pressures having hit consumer spending, and thus throughput at Australia's largest box port. In Sydney, strikes, protests and a tougher economy were said to have taken their toll on Port Botany's throughput, with 2023 TEU volume down a considerable 7.8% from 2022.

TT Club Innovation in Safety Award to open soon

Entries for the TT Innovation in Safety Award will open on 2 September 2024. The Award is the centrepiece of the ongoing efforts of TT Club and ICHCA to encourage players in the freight transport and cargo



handling sectors to improve operational safety and efficiency through innovation.

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. Past winners have ranged from individual entrepreneurs and specialist suppliers to employee teams in major industry businesses.

The application form and brochure can be downloaded here: https://ichca.com/entering-the-tt-clubinnovation-in-safety-award

Hydrogen demand will require hundreds of additional ships

The International Chamber of Shipping (ICS) recently released a groundbreaking report highlighting the increase in demand for clean hydrogen to decarbonise key sectors and the potentially huge opportunities it presents for shipping. Authored by Professor Stefan Ulreich of Biberach University of Applied Sciences,

Germany, the report was presented at the recent Malaysia Maritime Week event and details hydrogen demand sectors, demand locations, and the demand-pull timeline.

The report, titled *Turning Hydrogen Demand Into Reality: Which Sectors Come First?* focuses on the potential of clean hydrogen to serve as an energy carrier and feedstock to decarbonise multiple sectors, especially those that are hard to abate. The report highlights that meeting future hydrogen demand will require an unprecedented scale of renewable electricity for green hydrogen production, presenting once-in-a-generation opportunities and challenges.

"For global hydrogen demand to keep the net-zero by 2050 scenario within reach, demand for hydrogenbased fuel sources would need to scale five times from current levels to reach approximately 500 million tonnes from 2030 to 2050," said Guy Platten, Secretary General of the ICS. "One of the main takeaways in this report is the high variability in potential demand. Industry will dominate the hydrogen demand. Shipping, however, can play a key role as an enabler to the hydrogen economy."

The report identifies South Korea, Japan, and the EU as the main markets to initially drive hydrogen demand. Europe has a target of 20 million tonnes of hydrogen per year by 2030, with half of that volume expected to come from imported sources. To meet the EU's expected demand, the fleet will need to increase by up to 300 vessels for the EU 2030 target. According to the International Energy Agency (IEA), hydrogen use is expected to remain static within current industrial use cases into 2030. However, to expand beyond current hydrogen demand, infrastructure, enabling regulation, and access to power must be addressed for new sectors to begin using hydrogen.

Guy Platten added, "Ports and infrastructure development to remove barriers for maritime uptake will be crucial. This will allow both the maritime and other sectors to move forward, enhancing energy security and diversification. This is a once-in-a-generation opportunity to transform the entire energy-maritime value chain."

Professor Ulreich says the key for the realization of a future hydrogen economy is the infrastructure for production, but also transportation infrastructure. "The maritime industry will play a key role by connecting hydrogen surplus regions with high consumption areas. However, this necessitates port infrastructure for loading/unloading and pipeline transport from the port to the consumers. Coordinated action would help most to deliver this," he stated.

Ulreich also noted that the annual hydrogen demand would necessitate increasing the fleet to transport hydrogen by ship. To meet a global increase of 30 million tonnes of hydrogen traded, up to 411 new hydrogen vessels (for long distances) or up to 500 vessels if transported as ammonia, would be needed.

A copy of the report is **available here**.



Explosion in the Port of Ningbo

A hazardous goods container exploded recently on a container vessel in China's high-traffic Ningbo port. No casualties or injuries have been announced to date. The incident took place on the mv *YM Mobility* and according to the owner, this led to a fire which is now under control. All people on board were safely evacuated.



The Liberia-flagged Post Panamax containership (6,589 TEU) suffered a powerful explosion near its bow. The 2011-built vessel was berthed at the Ningbo Beilun Phase III Terminal when the blast occurred. The vessel operates on the AG2 service between the Far East and the Middle East Gulf. The incident does not appear to have significantly disrupted major shipping lines so far.

Source: Indiashippingnews.com

In response, Yang Ming Marine Transport Corporation, owner of the vessel, declared General Average (where all stakeholders share damage or losses) on 18 August 2024, to protect the common interests of the vessel, cargo owners, and all parties involved. The exact cause of the incident is currently under investigation by third-party experts. With consideration of the safety of the vessel and the surrounding environment, Yang Ming has arranged for the unloading and transhipment of the cargo onboard, with approval from the port authorities. The schedule for the delivery and release of the cargo will be determined based on notifications from the adjuster. Whilst there is speculation about the contents of the exploding container, it could be a misdeclaration of hazardous cargo such as lithium batteries or organic peroxides, which will burn vigorously.

Fire quickly extinguished on board vessel at JCT Colombo

The Sri Lanka Ports Authority (SLPA) reports that swift and coordinated action successfully averted a potential disaster following a fire that broke out aboard the vessel mv *MSC Capetown III*, a container vessel berthed at Jaya Container Terminal (JCT) in the Port of Colombo. The vessel, which is part of the East Africa



Credit: Sri Lanka Ports Authority

Service or South Asia – East Africa Service was discharging 995 boxes and loading 880 boxes at the time of the incident.

The *MSC Capetown III*, an 18-year-old container ship sailing under the flag of Madeira, arrived at JCT from Singapore in the early hours of August 11, 2024. The vessel was also carrying 596 through cargo containers. The incident occurred in the 41/43 hatch area, where a fire initiated in the vicinity of 100 under-deck containers and 60 on-deck containers. This fire eventually escalated to an explosion.

SLPA's Director of Port Operations, Mr HJKU Kumara, commented: "The vessel berthed at our terminal showed no prior signs of fire. However, during operations, our team identified the precise location from which the smoke was originating, leading to an explosion. Our firefighters, led by the Harbour Master and in collaboration with other port services, acted swiftly to extinguish the fire and safely remove the affected

cargo". He further added, "Our timely and decisive actions prevented what could have been a catastrophic event. Investigations into the cause of the fire and the status of the cargo are ongoing."

More containers lost off the South African coast

Adverse weather conditions impacting South Africa recently have led to yet another large container vessel losing as many as 99 containers off the east coast of South Africa, according to the South African Maritime Safety Authority (SAMSA). In response, a navigational warning to sailing vessels has been issued and a public call made to report any sighting of the cargo containers possibly still floating at sea.

On Thursday, 15 August, *the CMA CGM Belem* encountered severe weather off the coast of Richards Bay, resulting in a significant stow collapse and a loss of 99 containers. The *CMA CGM Belem* was only delivered to the company in June 2024 and has a capacity of over 13,000 TEU. It sails under the Maltese flag and measures 336 metres in length, 51 metres in height, and has a draught of 14.8 metres. Notably, the *CMA CGM Belem* is the second vessel of its kind and from the same French shipping company to be battered by adverse weather conditions while sailing around South Africa's Indian Ocean area, and resulting in substantial loss of containers overboard at sea.

A month ago, the ultra large container vessel *CMA CGM Benjamin Franklin*, also Maltese flagged, reportedly lost up to forty containers in about the same region of the South African Indian Ocean area, while also sailing past the country from Asia to Europe. After having taken shelter and readjusting its cargo at the deep water port of Ngqurha in Algoa Bay near Gqeberha, Eastern Cape, it departed South Africa a few days later, while a search for its lost containers remained ongoing.

ICS urges governments to 'bite the bullet' to meet 2050 net zero targets

The International Chamber of Shipping (ICS), working with the governments of Bahamas and Liberia, has presented a comprehensive new proposal to ensure delivery of the ambitious UN International Maritime Organization's (IMO's) target to achieve net zero greenhouse gas (GHG) emissions from international shipping by or around 2050. At the heart of the proposal is a GHG Fee, charged to ships per tonne of CO₂ equivalent (CO2e) emitted, combined with a "feebate" mechanism to incentivise the accelerated production and uptake of zero/near-zero GHG marine fuels, such as green ammonia, hydrogen and methanol, sustainable biofuels, and new technologies such as onboard carbon capture.

The primary objective of the proposed IMO "mechanism" is to accelerate the production and uptake of new green marine fuels by reducing their cost disadvantage, with feebates (rewards) being disbursed to ships for the CO₂ emissions prevented by not using conventional fuel oil. GHG fees will be collected, and feebates disbursed, via a web-based automated IMO "mechanism", the prototype for which ICS has already developed and submitted to IMO.

From the revenue generated from the GHG fee, an amount equivalent to 20% of the revenue allocated to support the feebate programme will be transferred annually to the newly proposed IMO 2 Net Zero Shipping Fund, with this proportion subject to adjustment within five years of entry.

ICS Secretary General Guy Platten commented: "A GHG pricing mechanism using a flat rate GHG fee and a feebate element will be vital to bring about the rapid development and uptake of green marine fuels. To incentivise the production and use of green marine fuels our proposal includes a carefully thought out feebate mechanism, which is fuel neutral, to incentivise prevention of up to 100 million tonnes of GHG emissions per year during the first five years. This will help de-risk investment decisions and enable shipping to rapidly reach a "take-off" point in the use of green marine fuels, something which is needed urgently as their current availability is virtually zero."

The latest proposal from Bahamas, Liberia and ICS will be discussed at the next round of IMO negotiations, which resume in London on 23 September, to develop a new package of mid-term GHG reduction regulations for international shipping for adoption by governments in 2025.

New CEO at AMSA

The Australian Government announced that Ms Kaylene Dale will become the new Chief Executive Officer of the Australian Maritime Safety Authority (AMSA), starting on 1 October 2024. Ms Dale brings extensive experience in Commonwealth regulatory settings and with the maritime sector. This includes working with AMSA's search and rescue functions as part of her role at the Australian Border Force, where she has held a number of leadership positions, most recently as the Deputy Commissioner for strategy and capability.

Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, thanked outgoing CEO Mick Kinley for his significant service as CEO over the last decade, where he oversaw a number of achievements in Australian maritime safety. This included navigating the maritime safety challenges presented by the global pandemic, and before that, AMSA's delivery of the national system – Australia's single regulatory framework for the certification, construction, equipment, design and operation of domestic commercial vessels inside our exclusive economic zone. Mr Kinley's leadership extended internationally, leading AMSA in engaging closely with the International Maritime Organization and supporting other countries in improving their safety outcomes, particularly in the Pacific.

Port of Brisbane COO to retire

Peter Keyte has retired as COO of the Port of Brisbane after more than 20 years of service. Peter joined the Port of Brisbane in January 2004 as General Manager Port Operations, before stepping into the COO role in 2010. Prior to joining the Port of Brisbane, he worked in the shipping and stevedoring industry with P&O, holding senior management positions in various P&O Group companies, working in the UK, New Zealand, Asia and Sydney.

Port of Brisbane CEO Neil Stephens said Mr Keyte had made a significant contribution to the business, the wider Port of Brisbane community, and the ports and logistics industry more broadly.

"We wish Peter and his family the very best on this next stage and thank him for his incredible contribution to our business and for his friendship and counsel over the years." Mr Stephens said. Craig Barbour will be taking over as Executive General Manager Port Services, taking responsibility for port operations, security, the Brisbane Multimodal Terminal and cruise operations. Mr Barbour comes from the Pilbara Ports Authority where he had the role of General Manager Terminal Operations. Previously he held executive roles at Associated British Ports.

Port of Mackay marks birthday with improved trade throughput

The Port of Mackay marks a milestone birthday with buoyant trade results. It is 85 years since the port's official opening. Total trade through the port reached 3.58 million tonnes in 2023-24, compared to 3.51 million tonnes for the same period the previous year and just shy of the record 3.59 million tonnes in 2021-22. North Queensland Bulk Ports Corporation (NQBP) CEO Brendan Webb said the buoyant trade performance highlighted how the publicly owned port is powering into the future.

"Since the start, the Port of Mackay has been a pivotal hub for trade in North Queensland, and this year is no exception," Mr Webb said. "Looking to the future, the Port of Mackay will be key to enabling the development of projects critical to the State Government's decarbonisation targets and the Energy and Jobs Plan. There is a suite of proposed renewable energy projects slated for development across the region that will require imports through the Port of Mackay to come to life."

NQBP is a Queensland Government-owned corporation responsible for the ports of Mackay, Abbot Point, Hay Point, and Weipa in far north Queensland.

What is the dark fleet?

In this article, which was first published in the Daily Cargo News, Peter van Duyn explains what's going on the shady world of shipping. See: https://www.thedcn.com.au/dcn-magazine/in-detail-chasing-shadows/

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 and 30 April (inclusive), and to vessels that berth, load, or tranship from target risk countries within the same period. 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. Please note that China and the Republic of Korea have been added as BMSB target risk countries for heightened vessel surveillance only.

New policies to manange biosecurity risks – Have Your Say

Under the Hitchhiker Pest Program, the Department is developing a new policy for managing biosecurity risks associated with containers. The proposed policy involves new types of approved arrangements, particularly in wharf and port areas and your input is invited via the "Have your Say" survey. This provides the opportunity to:

- indicate whether these approved arrangements would be of interest to you
- identify any concerns you may have
- provide any comments or suggestions on what is proposed.

Documents attached to the survey include background information and drafts of the proposed approved arrangements. Your input will help the Department to refine policy and implementation processes for these arrangements.

The Have Your Say survey will be open for consultation from 27 August 2024 to 5pm on Tuesday 8 October.

Hitchhiker pest seminar

The Department is hosting a webinar to raise awareness of the increasing risk of hitchhiker pests associated with shipping containers and imported goods. If you work in import, retail, shipping, freight, logistics or transport industries, you play a crucial role in spotting these pests. By regularly handling imported goods and shipping containers, you may be the first to notice anything unusual.

This webinar is for you if you want to learn more about your vital role in helping to protect Australia from pests that threaten our farms, environment, and way of life.

When and where: 4 September 2024: 10-11:30am (AEST) 5 September 2024: 10-11:30am (AEST) Both sessions will cover the same content and will be delivered as an online live event via Humanitix.

A link to register for the webinar is available here: https://events.humanitix.com/hitchhiker-pest-awareness-webinar.

Have your say survey

The Department intends to provide the best services to their clients. To ensure it is meeting expectations, it is seeking your feedback on how it delivers their regulatory services and how it engages with you. You can provide feedback through our **Have Your Say survey platform.** Consultation will close at 9am AEST on 30 September 2024.

The Department greatly appreciates you taking the time to complete our survey. We expect it to take around 10 minutes to complete. If you prefer, you can also provide a written submission via the same link. Your feedback will play a crucial role in shaping how we improve our approach to regulatory service delivery and stakeholder engagement.

If you have any questions or concerns, please contact the Departement via email at: improvingregulatoryservicedelivery@aff.gov.au

IGAB review

You may be aware that the independent review of the Intergovernmental Agreement on Biosecurity (IGAB) commenced in May this year. The independent reviewer, Dr Michele Allan AO, recently released her discussion paper for a 4-week consultation period. Consultation closes at 5pm on Thursday 12 September 2024.

The IGAB is an agreement between the Commonwealth and state and territory governments to strengthen the national biosecurity system. It defines the roles and responsibilities of governments and outlines the priority areas for collaboration to minimise the impact of pests and diseases on Australia's economy, environment and community. As such, the IGAB provides the underpinning architecture for our national biosecurity system and establishes the National Biosecurity Committee. The discussion paper provides more information on the scope of the review and topics of particular interest to the reviewer.

To provide your comments and/or feedback on the operation and effectiveness of the IGAB. Please read Dr Allan's discussion paper, *Is the Intergovernmental Agreement on Biosecurity effective and fit for the future?*, and make a written submission or complete the survey. Submit your feedback by 5 pm (AEST) on Thursday 12 September 2024. Find the survey here: Have Your Say Survey.

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