

# **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 best, in front of national and international agencies and regulatory bodies. Its Expert Panel provides 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 (<a href="www.ichca.com">www.ichca.com</a>). 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>.

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# The ICHCA Logistics Long Lunch in Brisbane 15 November



After a false start in September, the Logistics Long Lunch is now on Friday 15 November. Come and join us at the Queensland Maritime Museum to enjoy premium drinks and sumptuous food served all afternoon.

A portion of the proceeds will go towards the upkeep of the museum.

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

## **TT Club Innovation in Safety Award**

The TT Club Innovation in Safety Award entries are closing soon.



You are invited to make a submission. Anyone involved in cargo logistics who can show a demonstrable improvement to safety is welcome to make an application.

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. Entrants are required to show that a product, idea, solution, process, scheme or other innovation has resulted in a demonstrable improvement in safety.

Details of the submission process can be found here: TT Club Innovation in Safety Award

# Japanese study tour visits Australian ports

A group of 20 senior port executives from Japan recently undertook a study tour of ports on the Australian



Eastern seaboard to learn more about automation in container terminals and sophisticated mooring systems.

The group was co-ordinated by ICHCA Japan, and the port visits were arranged by ICHCA Australia. The group visited Patrick Terminals and Hutchison Ports in Sydney, and Victoria International Container Terminal and DP World in Melbourne. They also visited the Spirit of Tasmania in Geelong and finished with a great boat tour of the Port of Melbourne.

A big thank you to all the organisations that kindly offered their valuable time to accommodate the visitors and answered all their many questions!

# Response to maritime lithium battery fires discussed

Ports Australia's Port Operations Committee recently convened in Brisbane to address several important topics, including the management of lithium battery fires. Committee members from across Australia heard from representatives of the Queensland Fire Department and the WA Department of Fire and Emergency Services about what makes these fires so dangerous, especially in enclosed spaces, and why they are nearly impossible to extinguish.

Often labelled as a "low frequency, high consequence" risk, lithium-ion battery fires pose a pressing risk for the maritime industry, especially as the importation of electric vehicles, including e-bikes and e-scooters, continues to rise. The session brought together first responders and the ports industry to look at possible response protocols, safety considerations, and some of the specific challenges around these types of fires. Lithium-ion batteries are the most common type of battery found in electric vehicles, e-bikes and e-scooters. Depending on the manufacturer, these lithium-ion batteries can come in different types and use different chemistries, but all share highly dangerous outcomes if they fail. When in thermal runaway, these battery fires are almost impossible to stop and reignition is possible. Lithium battery fires burn at higher-than-normal temperatures and produce highly toxic gases, making it difficult for safe response in enclosed spaces, such as on board a vessel.

"The batteries can generate an awful lot of gases in a very, very short period of time," said Captain Adrian Scales, Director for Europe at Brooks Bell. "If there's no flame, then those gases don't burn off, and if they're able to collect in a headspace or in a confined space, the trigger point can be anything—static charge or whatever—that can ignite the hydrogen gas, which is part of that. The last ship I attended, which was the Fremantle Highway, we had what was a vapour cloud explosion in the headspace of that, that ruptured the fire main for the ship, and the ship's crew couldn't actually fight fires from there after."

Ports Australia hopes to see continued collaboration on this topic, both nationally and internationally.

# Minimising fraud and disruption in global supply chains

#### Recent developments with electronic bills of lading

Paper bills of lading have been in use since the 1400s and despite the industry and the world having changed dramatically since then, the bill of lading has remained largely unchanged. Paper trade documents are particularly susceptible to fraud, including forgery and falsification. The International Chamber of Commerce (ICC) estimates that if even 1% of the US\$5 trillion global trade financing market is susceptible to fraud, and if only 10% of those transactions result in loss, this still amounts to an annual cost of around US\$5 billion in total business disruption. Putting fraud to one side, a lost paper bill of lading can cause severe disruption in the supply chain in the transportation and clearance of cargoes. Carriers asked to discharge cargo without the paper bill of lading will often demand gold-plated bank-countersigned guarantees before they will consider releasing. The time and costs involved can be substantial.

In light of the above, there has long been discussion regarding a shift from paper trade documents to the use of electronic documentation and paperless trade. In 2017, the UN Commission on International Trade (UNCITRAL) published the Model Law on Electronic Transferable Records (MLETR) to facilitate the use of electronic transferable records, both domestically and internationally. Electronic trade documents can minimise the risk of fraud and sensitive information being compromised through the use of electronic signatures, encryption and blockchain technology which record transactions across multiple systems in a way that ensures data is secure, transparent and immutable. Electronic transfer documents also almost entirely eliminate the risk of losing bills of lading and significantly reduces the administrative cost involved.

A recent McKinsey study estimated that digitalising the bill of lading, which accounts for around 10% to 30% of trade documentation costs, could unlock more than US\$15.5 billion in direct benefit to the shipping ecosystem and up to US\$40 billion in increased trade, all while building resilience in the supply chain

industry. One reason for the delay in uptake of electronic trade documents is the lack of interoperability between electronic bill of lading systems. As it stands, all parties involved with the transaction would need to use the same electronic bill of lading system, as different systems are generally not compatible with each other. This obviously presents a significant obstacle in the move to digitalisation.

On top of that, there is also legitimate concern regarding the potential new fraud risks involved with electronic trade documents, including hacking and other cyber security risks. There has also been a general reluctance in the industry to move away from a paper system with which industry participants are very familiar. Nevertheless, the use of electronic bills of lading has been increasing within the industry as confidence in the technology grows. The Future International Trade Alliance comprising the five founding members BIMCO, DCSA, FIATA, ICC and SWIFT, founded in 2022, aims to raise awareness and encourage greater use of shipping standards and electronic bills of lading across all sectors of the shipping industry. The FIT Alliance reports that more than 100 organisations have now signed its "eBL declaration," including Anglo American, Maersk, ONE, Evergreen, MSC, BNP Paribas and HSBC. The aim of the declaration is to secure commitment from all stakeholders in international trade to collaborate on driving digitalisation.

In Australia, the Simplified Trade System Implementation Taskforce Australia, led by the Attorney-General's Department, is currently exploring options to align legislations with the MLETR to support the transition to paperless trade and is consulting stakeholders within the industry on the best course of action. The objective is to implement legislative reform to enable paperless trade in Australia by June 2026.

This article was supplied by HFW, sponsors of Inside ICHCA.

# **Crane incident in Keelung Port**



A container gantry crane has collapsed at Keelung Port, Taiwan during the delivery of new cranes for China Container Terminal Corporation. The collapse happened on 14 October around 2.00 pm local time, when the *Yuzhou Qi Hang* barge carrier collided with an existing crane onshore at Pier 20 while transporting newly purchased cranes. The impact caused the onshore crane to fall. Fortunately, no injuries were reported. An investigation is underway to understand the circumstances of the accident.

Song I-ching, Deputy Director of the port, explained that the barge was carrying the new gantry crane to replace an older one, adding that the cause of the collision remains unclear. Following the incident, officials will assess the damage to establish liability, and discussions on compensation will take place between China Container Terminal Corporation and the freight company involved. The collapse has reportedly caused disruptions to shipping operations at Pier 20 and the neighbouring Pier 21, where space had been allocated for the crane from 14 to 18 October. The Keelung Port Branch of the International Ports Corporation has confirmed that steps are being taken to resolve the situation and reduce further disruption to port operations.

A short video can be seen here: Crane collapse at Keelung Port after barge collision

# IMO making progress on reducing GHG

The International Maritime Organization (IMO) has achieved key progress in negotiations towards a set of binding global regulations on the IMO net-zero framework, aimed at achieving the greenhouse gas (GHG) reduction objectives set out in the 2023 IMO Strategy on Reduction of GHG Emissions from Ships.

At the conclusion of the 82<sup>nd</sup> session of the IMO's Marine Environment Protection Committee (MEPC 82), held from 30 September to 4 October 2024, member states had identified further areas of convergence in their positions. They produced a draft legal text to use as a basis for ongoing talks around the proposed "mid-term measures" for GHG reduction, which are expected to be adopted in 2025. These proposed measures, which build on previously adopted short-term measures, include a goal-based marine fuel standard that will phase in the mandatory use of fuels with less GHG intensity and a global maritime GHG emissions pricing mechanism. These measures are aimed at driving the international shipping industry's transition to achieve net-zero GHG emissions by (or close to) 2050.

#### Shaping the IMO net-zero framework

The draft legal text produced by MEPC 82 integrates inputs and proposals from member states and international organisations on possible amendments to be made to the International Convention for the Prevention of Pollution from Ships (MARPOL, Annex VI). If adopted, these amendments would incorporate the proposed new measures into international law. There was also discussion of the possible establishment of an IMO GHG Intensity Registry and an IMO fund/facility to facilitate the implementation of the technical and economic elements of the GHG reduction measures.

Closing the meeting, IMO Secretary-General Mr. Arsenio Dominguez commended the constructive atmosphere during the discussions: "I welcome your continued demonstrated commitment. It has allowed us to identify further areas of convergence on defining the legal framework for the IMO Net Zero Framework, that will effectively guide the next round of dialogue. I am convinced that at the next session, you will reach an agreement." The MEPC will hold its next session (MEPC 83) from 7 to 11 April 2025, where members are expected to approve the amendments, ahead of their formal adoption in October 2025. A period of negotiations lies ahead between now and the next MEPC meeting to resolve areas of divergence, and further refine the draft text before approval at MEPC 83 in April 2025.



# Crucial advice on the safe transport of charcoal published

The Cargo Incident Notification System (CINS), a safety initiative representing container shipping lines and maritime insurance interests recently launched its latest advisory publication, *Guidelines for the Safe Carriage of Charcoal in Containers*. It contains the provisions set out in the maritime dangerous goods regulations for the transport of charcoal, a potentially combustible commodity commonly shipped in volume, explaining the measures and providing additional guidance for all involved in this complex international supply chain.

The packaging, declaration and transport of charcoal must comply with the International Maritime Dangerous Goods (IMDG) Code. Significant new provisions have been agreed by the IMO (Amendment 42-

24) and will come into transitional effect from 1 January 2025, with mandatory compliance required as of 2026. The Amendment means charcoal will no longer benefit from any IMDG code exemption. The Guidelines, however, strongly recommend early adoption of the new regulations and explain in detail how compliance may be achieved. The CINS Guidelines, prepared and published in conjunction with the IG and international freight and logistics insurer TT Club, states, "It is estimated that global production of charcoal for domestic and export markets is over 50 million tonnes per year. From the incident records created by CINS members, it is known that there were at least 68 fire incidents on board ships between January 2015 and December 2022. Most of these incidents were caused by mis-declared cargo and therefore the carrier was not aware of the hazards presented."

The practices set out in the document are intended to address safety concerns, recognising that the key driver for change arises from charcoal intended as a fuel for burning. The Guidelines also note that there are other technical types of charcoal, such as that used for art materials, which have a different risk profile, urging carriers to establish effective due diligence processes. In view of the sensitivity of this fuel cargo and history of incidents, the publishers are recommending that it should be treated as dangerous goods, regardless of current or previous regulatory provisions. It is vital to ensure that this cargo is properly prepared, declared and packaged for safe transportation.

# China tightens its regulations on hazardous goods

The China Maritime Safety Administration (MSA) has introduced new rules that apply to export/import/transhipment cargoes moving via Ningbo port, one of the busiest cargo gateways in China. According to the mandate issued by MSA, carriers and other stakeholders must file all mandatory documents 72 hours prior to the closure of declared vessel cut-offs for cargo gate-in.

"In adherence to the latest instructions, with immediate effect it is mandatory to provide DGD (dangerous goods declaration) and MSDS (material safety data sheet) for all bookings destined/transit/transhipment/exports via Ningbo," shipping line CMA CGM said in a customer advisory.

The tighter measure comes in the wake of heightened industry concerns over dangerous goods flow, after a major explosion occurred on the containership *YM Mobility* two months ago while in port at one of the terminals Ningbo. There has been a series of onboard ship fires in recent months, for various reasons, prompting carriers and port authorities to pay greater attention to hazmat cargo declarations and carriage. Arguably, shippers' incorrect declarations and/or improper packing of hazardous cargo – leaving carriers in the dark about the correct nature of cargo – have been the chief factor leading to increasing ship fire incidents.

# RightShip adjusts inspection regime

RightShip, the digital maritime platform providing expertise in safety, sustainability and social responsibility practices, recently announced a change in its vessel inspection age trigger. In response to evolving market conditions and continuing safety risks in the Dry Bulk and General Cargo sectors, RightShip will implement a phased approach to require inspections of vessels at an earlier age. This change reflects the organisation's aim to improve safety standards, reduce incidents, and promote sustainable maritime operations, and it builds on consistent customer feedback calling for vessel inspections to identify risks and propose mitigation actions.

The phased introduction of this new policy will begin on 31 March 2025:

 Phase 1 (2025): RightShip's age trigger for inspection of Dry Bulk and General Cargo vessels will change from 14 years to 12 years, after which an annual acceptable RightShip Inspection will be required. • Phase 2 (2026): The age threshold will be further reduced, requiring inspections for vessels aged 10 years or older.

Additionally, RightShip will require vessels with less than 8,000 DWT to undergo similar inspection making the safety standard more consistent across the global Dry Bulk and General Cargo fleet.

"Our decision to lower the inspection age from 14 to 10 years, in a phased approach, reflects the desire from stakeholders for more physical inspections of vessels to counter challenges the dry sector faces in achieving operational excellence. This change reflects our commitment to raising safety standards globally and comes at a critical time as the global dry bulk fleet now averages 14.7 years in age and will continue to rise," explained Christopher Saunders, Chief Maritime Officer at RightShip. He added, "Data shows there is a strong correlation between performance in a RightShip inspection and the risk of detentions and incidents."

"At RightShip, our commitment to safety and crew welfare is evident in our proactive standard-setting and advocacy for stronger safety measures," said Steen Lund, CEO of RightShip. He added, "The data and insights gathered from our inspections are crucial in enhancing the vetting process, providing charterers with a clearer understanding of a vessel's condition and performance and supporting ship owners and managers in their efforts to enhance safety across their fleets. As we navigate the challenges associated with an ageing fleet, we must collectively strive for safety and transparency across the shipping industry. It is incumbent upon the entire maritime ecosystem to embrace and champion improved safety standards. This commitment is part of our broader mission to drive continuous improvement toward zero harm in maritime operations."

### **New Commissioner at Australian Border Force**

Lieutenant General Gavan Reynolds will be the next Australian Border Force commissioner, replacing the retiring Michael Outram. Reynolds has served the Australian Defence Force for over 40 years, most recently as the inaugural chief of defence intelligence. He has served in a number of key strategic roles, including as Australian military representative to NATO and the European Union, and head of military strategic commitments in the Department of Defence. Reynolds was also deployed to the Persian Gulf, Lebanon, Syria, Iraq and Afghanistan, leading intelligence and combat support.

Reynolds said he is looking forward to the new challenge. "It is a privilege to lead the Australian Border Force and the dedicated people protecting the national asset that is our border," he said. "I look forward to working closely with the Department of Home Affairs and across government to deliver prosperity, security and unity for Australia." Reynolds will be sworn in on 10 November.

# **FLIP ship escapes wreckers**

The Floating Instrument Platform (FLIP) is a research vessel from the US Navy that can stand on end like a floating skyscraper. For over half a century, FLIP was used for oceanographic research, a testament to audacious engineering and the human thirst for discovery. It was due to be scrapped in Mexico after being decommissioned. However, a sub-sea design firm, DEEP, with ambitions to pioneer underwater human habitats bought the vessel and will use it for their research.

FLIP isn't your typical ship. It is 355 feet long and was designed to flip from a horizontal floating position to a vertical one, submerging 300 feet of its length below the ocean surface. This unique capability allowed it to become an exceptionally stable platform, unaffected by surface waves—perfect for studying acoustics, wave dynamics and marine life. Commissioned in 1962, FLIP was a collaborative effort between the US Navy's Office of Naval Research and the Scripps Institution of Oceanography. Over decades, it facilitated research that deepened our understanding of the ocean. Shaped like a giant baseball bat, the 700-ton FLIP

is technically not a ship but a barge. It has no propellers, propulsion, or engine room, and requires towing by a tugboat when conducting scientific missions.



The vessel is now docked in France and is slated for a 12 to 18-month refit at a shipyard in Barcelona renowned for refurbishing superyachts and handling unusual projects. DEEP's ambitions for FLIP go beyond restoration. The company envisions the vessel as a cornerstone in their mission to "make humans aquatic," enabling people to live, work, and thrive underwater.

The refitted FLIP will support DEEP's sentinel habitat deployments, with underwater living spaces designed for extended research missions.

Source: GCaptain.com

#### MIRRAT takeover in doubt

The ACCC recently published a Statement of Issues outlining preliminary competition concerns with Qube Holdings Limited's proposed acquisition of Melbourne International RoRo & Auto Terminal Pty Ltd (MIRRAT). The ACCC is also seeking views on a court-enforceable undertaking offered by Qube, which it has put forward to remedy competition concerns.

MIRRAT operates the automotive/Roll-on Roll-off terminal at Webb Dock West in Melbourne. The proposed acquisition would allow Qube to have sole operating rights for roll-on roll-off trade through the Port of Melbourne. Qube, through its wholly owned subsidiary, Australian Amalgamated Terminals Pty Ltd (AAT), operates automotive cargo terminals at the Port of Brisbane and Port Kembla, as well as a general cargo terminal at Appleton Dock at the Port of Melbourne. Qube is Australia's largest provider of import and export logistics services including port-related activities of terminal management, stevedoring, processing, pre-delivery inspection (PDI) and delivery.

Webb Dock West is the key facility for the processing of automotive and roll on-roll off cargo through the Port of Melbourne, according to feedback received by the ACCC. "The proposed acquisition would result in Qube, which is one of Australia's largest integrated terminal and freight logistics providers, owning a further interest in a critical component of the automotive delivery supply chain at the Port of Melbourne," ACCC Commissioner Dr Philip Williams said. "We are concerned that the proposed acquisition may have a significant effect on competition in downstream services such as automotive stevedoring and PDI services. If this transaction goes ahead, Qube would be operating the terminal while also being in active competition with other automotive stevedores or PDI providers," Dr Williams said.

The ACCC is concerned that Qube could raise the costs of access for rival stevedores and PDI operators, preventing them from competing effectively. Qube could do this by restricting access to the terminal or related services, thereby raising prices and lowering the quality of terminal services. Concerns were also raised with the ACCC that Qube would have access to rivals' commercially sensitive information as the terminal operator.

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

#### DCCC

The Department of Agriculture, Fisheries and Forestry Cargo Consultative Committee (DCCC) is a committee for the Department and other stakeholders to consider tactical and strategic biosecurity-related international trade and logistics issues. The DCCC aims to provide effective biosecurity outcomes delivered without unnecessary impediments to trade.

The next DCCC meeting will be held in mid-November. Peter van Duyn will represent ICHCA Australia at the meeting. If you would like information about the meeting, please contact Peter (<a href="mailto:peter.van-duyn@ichca.com">peter.van-duyn@ichca.com</a>).

#### Imported Sea Container Pathway (ISCP) Working Group

Peter is also a member of the ISCP working group, which recently held a meeting. If you require information about the meeting, please contact Peter.

### Biosecurity funding and expenditure reporting

The Commonwealth's inaugural biosecurity funding and expenditure report 2023-24 has been published as part of the department's 2023-24 Annual Report (Appendix G).

The report delivers on the Australian Government's 2023-24 budget commitment to annual publication of biosecurity funding and expenditure. This new report provides greater transparency and accountability on how the Commonwealth biosecurity system is funded and how that funding is spent in delivering biosecurity priorities.

Future reports will further highlight the Department's progress in delivering strategic priorities and activities against the **DAFF Biosecurity 2030 Roadmap**, and the Department's contribution to implementing the National Biosecurity Strategy.

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