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## 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 [www.ichca-australia.com](http://www.ichca-australia.com) . The ICHCA international website is at [www.ichca.com](http://www.ichca.com). To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at [peter.van-duyn@ichca.com](mailto:peter.van-duyn@ichca.com) or telephone 0419 370 332.

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## Guidelines to improve containership safety



*Maersk Honam fire in the Arabian Sea*

The world’s top shipping line Maersk has implemented new guidelines on the stowage of dangerous goods after a review of its safety procedures in the aftermath of the devastating *Maersk Honam* fire back in March.

The shipping company says the new guidelines will improve safety across its fleet of container vessels. “Following the tragic fire aboard *Maersk Honam* in March this year, Maersk took measures and implemented additional preliminary guidelines for stowage of dangerous goods,”

Maersk said in a press release announcing the guidelines: “The company evaluated over 3,000 United Nations (UN) numbers of hazardous materials in order to further understand and improve dangerous cargo stowage on-board container vessels and developed a new set of principles called ‘Risk Based Dangerous Goods Stowage’.”

“All cargo aboard *Maersk Honam* was accepted as per the requirements of the International Maritime Dangerous Goods Code and stowed on board the vessel accordingly. Despite this, as the fire originated in a cargo hold in front of the accommodation, which held several containers with dangerous goods, it had an unbearably tragic outcome,” said Ole Graa Jakobsen, head of fleet technology at Maersk. “This clearly showed us that the international regulations and practices with regards to dangerous goods stowage needs to be reviewed in order to optimally protect crew, cargo, environment and vessels.”

Maersk said the new Risk Based Dangerous Goods Stowage principles have been developed with the aim of minimising risk to crew, cargo, environment and vessel in case a fire develops. “The different container vessel designs were reviewed from a risk mitigation perspective and ultimately six different risk zones defined,” Maersk explained.

“Cargo covered under the International Maritime Dangerous Goods Code will no longer be stowed next to accommodation and main propulsion plant which is defined as the zone with the lowest risk tolerance. Similarly, risk tolerance will be low below deck and in the middle of the vessel, whereas the risk tolerance will be higher on-deck fore and aft. Utilising statistics on container fires in the Cargo Incident Notification System (CINS), Maersk defined which UN numbers can be stored in each risk zone,” said Maersk.

Maersk will continue to review its rules and policies for accepting dangerous goods and assess how to further improve them. Together with other members of the CINS, Maersk said it will be seeking to channel these experiences into developing new industry best practices.

In the coming months, a review aimed at creating best management practices for dangerous goods stowage will be undertaken with help from ABS, Lloyds Register, the International Group of P&I Clubs, National Cargo Bureau, the TT Club and Exis Technologies. Once the project is completed the best management practices will be published and presented to the International Maritime Organisation (IMO).

## GeelongPort and Boral cement agreement

A milestone 25-year agreement has been reached between GeelongPort and Boral Cement which will see Boral Cement invest \$130 million to construct a new clinker grinding and cement facility at GeelongPort. In

anticipation of the future demand for construction materials in the Victorian region, the new facility has been designed to handle up to 1.3 million tonnes of cementitious products per annum. The facility will be connected by a conveyor system to Lascelles Wharf that will provide substantial discharge and processing efficiencies.

“We are excited to extend our partnership with Boral Cement who has operated at GeelongPort for more than seven years. Our facilities, complemented by our experienced people and freight connections, offer Boral Cement advantages to their long-term business outlook and supports their customers”, CEO of GeelongPort Brett Winter said. “Securing long-term sustainable solutions through visionary partnerships enhances our capacity to continue to drive the region’s economy.”, said Mr Winter.

“Our substantial investment in a new cement grinding and storage facility at GeelongPort will deliver a world class operation, and reinforces our long-term commitment to the Victorian construction market. It will have the capacity and operational flexibility to provide our customers with secure supply of a broad range of products that supports their growth”, said Executive General Manager of Boral Cement Ross Harper. The facility is expected to be operational in 2020.

## **DAWR notices on the BMSB**

ICHCA Australia has again joined fellow members of the Department of Agriculture and Water Resources (DAWR) Cargo Consultative Committee (DCCC) in a number of telephone hook-ups with the DAWR to discuss a range of ongoing issues in treating cargo affected by the Brown Marmorated Stink Bug (BMSB), including the uptake of overseas approved treatment providers and the onshore treatment of cargo arriving from affected countries. The number of affected counties has increased dramatically with consequent delays in processing containers and cargo originating from these countries. The Department is doing its utmost to minimise these delays.

The Department strongly advises importers to seek approved treatment of the goods by overseas accredited providers, of which there are currently more than one hundred. Additional applications for accreditation by the Department are still being processed. Onshore treatment is available once the goods have arrived in Australia; however, onshore treatment may result in delays to the release of the affected cargo and likely increased costs.

For more details and the latest information, please visit the [DAWR website](#).

## **EBA talks for DP World and Hutchinson to commence**

Talks to negotiate new Enterprise Bargaining Agreements (EBAs) for workers at Hutchison Port Holdings and DP World have started. The Maritime Union of Australia (MUA) has commenced discussion with both companies, the first such discussions since the MUA amalgamated with the Construction Forestry and Mining Union. It will be interesting to see if this has any effect on their negotiating power and tactics. Patrick’s EBA runs out in June 2020.

## **Leadership development scholarships now available**

Building on the significant developmental momentum achieved during *#100daysforchange*, Women & Leadership Australia is administering a national initiative to support the development of female leaders across Australia’s transport and logistics sector.

The initiative is providing women with grants of between \$3,000 and \$7,000 to participate in a range of leadership development programs. The scholarship funding is provided with the specific intent of providing powerful and effective development opportunities for women in the industry; however, the funding is

strictly limited and has to be allocated prior to the end of 2018.

**Expressions of Interest:** Find out more and register your interest by completing the Expression of Interest form by December 7, 2018. Available at: [www.wla.edu.au/funding1](http://www.wla.edu.au/funding1)

## ACFS joins LINX Intermodal Terminal at Enfield

LINX Cargo Care Group announced recently that ACFS Port Logistics will join LINX as the Empty Container Park (ECP) operator at the LINX Intermodal Terminal at Enfield in Western Sydney. LINX is an experienced intermodal terminal operator offering road and rail services connecting regional Australia to the country's major metro and regional export ports. Since taking over the lease in February this year to operate the NSW Ports-owned intermodal terminal at Enfield, LINX has been building its rail business and attracting new customers to Enfield's dedicated Port Botany shuttle service.

The LINX Intermodal Terminal is located 18 kilometres from Port Botany and is close to Sydney's major M4 and M5 motorways. With a dedicated freight line to Port Botany and direct access to the interstate mainline corridor, LINX offers exporters and importers seamless and efficient supply chain solutions in regional NSW and Western Sydney.

ACFS is the largest privately-owned container logistics operator in Australia and brings a strong customer base consisting of Australia's largest blue-chip importers and exporters to the LINX Intermodal Terminal. ACFS business operations are underpinned by extensive knowledge and experience across the Transport, Depots, Warehousing and Empty Container Park sectors. ACFS moves over 750,000 TEU (fully laden) annually and employs more than 1200 people nationally.

Anthony Jones, LINX Cargo Care Group CEO welcomes ACFS to the LINX Intermodal Terminal and acknowledges their shared vision for an ECP at Enfield which will bring value and benefits for importers and exporters. Mr Jones said, "ACFS will provide empty container park services to import and export customers, offering empty container handling, storage, wash, repairs, surveys and upgrades. Our combined expertise will offer a one-stop-shop for importers and exporters and a streamlined, complete experience".

ACFS CEO Arthur Tzaneros said ACFS is continually striving to develop its national container logistics operations, and to provide the best end-to-end supply chain solutions for customers. "We are extremely excited by the opportunity to work with LINX to expand our empty container depot network which connects with rail, for the benefit of importers and exporters. This provides the Sydney network with much needed additional capacity," said Mr Tzaneros.

## New chair for Ports Australia

Grant Gilfillan has been elected as the new chair of Ports Australia replacing Paul Weedon. Mr Gilfillan is the chief executive of the Port Authority of New South Wales and a previous chair of the International Association of Ports and Harbours. Ports Australia Chief Executive Mike Gallacher said he was looking forward to working closer with Mr Gilfillan as the organisation achieves key milestones.

"As deputy chair, and with his experience throughout the sector, Grant has been a valuable resource for the organisation. I am looking forward to him exercising that experience further in his role as chair," Mr Gallacher said.

## First LNG shipment leaves Darwin

INPEX Corporation announced today that the INPEX-operated Ichthys LNG Project recently commenced shipment of liquefied natural gas (LNG). The first shipment departed the onshore gas liquefaction plant in Darwin in the Northern Territory en route to the INPEX-operated Naoetsu LNG Terminal in Niigata Prefecture, Japan.



The shipment follows the Project's shipment of condensate (ultra-light crude oil), which commenced on October 1, 2018, as announced on the same day.

The Project is scheduled to gradually increase its production volume of LNG and produce approximately 8.9 million tons of LNG per year, equivalent to more than 10 per cent of Japan's annual LNG import volume, when it reaches its production plateau.

*The Project's first LNG shipment undertaken by the LNG carrier "Pacific Breeze"*

As approximately 70% of the LNG produced by the Project is scheduled to be supplied to Japanese customers, this will further contribute to the stable supply of energy to Japan. It will also continue to respond to the energy demand in Asia and the rest of the world. Following the shipment of LNG, the Project is scheduled to commence the shipment of liquefied petroleum gas (LPG).

INPEX will continue to work towards achieving stable production and an early ramp-up at the Ichthys LNG Project with the understanding and cooperation of all its stakeholders, including the Project's joint venture partners, the local communities, the Australian federal government and the governments of Western Australia and the Northern Territory.

## NQBP announces record throughput

North Queensland Bulk Ports' (NQBP) four operating ports had a record 187.7 million tonnes of throughput for the 2017-18 FY with a net profit after tax of \$5 million. NQBP paid an annual dividend of \$6 million to the state.

NQBP's new Chief Executive Officer Nicolas Fertin, who began in the role on 17 September 2018, congratulated the team on the result. "While I have only recently begun at NQBP, our commitment to facilitating trade, developing opportunities and investing in our ports and our people is clear in this result," Mr Fertin said.

"Our role is to bring together business, environment, community and strategic stakeholders to make our ports sustainable for everyone in the long term. Each of our ports offers unique advantages to the state and, in the year ahead, we will continue to support regional growth and deliver value for our ultimate shareholders, the people of Queensland."

The flagship infrastructure project for the 2017-18 year was a \$9.8 million upgrade at the Port of Mackay to allow roll-on roll-off (RORO) vessels to berth. With three priority ports in the Great Barrier Reef World Heritage Area, NQBP also has a strong focus on environmental research and innovation.

During the year, NQBP also delivered its first online environmental dashboard that shows 24/7 real-time air quality data for sites around the ports of Hay Point and Mackay. Further online dashboards under

development will share data from NQBP's seagrass and coral monitoring. Meanwhile, NQBP pilotage also experienced a record year, with marine pilots executing 2,836 ship movements at the ports of Mackay and Hay Point.

Download the NQBP 2017-18 annual report here: <https://nqbp.com.au/about-us/news/articles/2017-18-annual-report>

## Changes to chain of responsibility in Heavy Vehicle National Law

On 1 October 2018, the Heavy Vehicle National Law (HVNL) was amended to specify that every party in the heavy vehicle transport supply chain has a duty to ensure the safety of their transport activities. In practical terms, this primary duty is an obligation to eliminate or minimise potential harm or loss (risk) by doing all that is reasonably practicable to ensure safety.

As a party in the supply chain, the best way to do this is to have safety management systems and controls in place, such as business practices, training, procedures and review processes that:

- identify, assess, evaluate, and control risk
- manage compliance with speed, fatigue, mass, dimension, loading and vehicle standards requirements through identified best practice
- involve regular reporting, including to executive officers
- document or record actions taken to manage safety.

For further information visit the NHVR website: <https://www.nhvr.gov.au/safety-accreditation-compliance/chain-of-responsibility/changes-to-cor>

## Surcharges for new IMO regulations to be introduced early

Major shipping lines are rolling out an unprecedented cost recovery campaign to compensate for the International Maritime Organisation (IMO) commitment to reduce sulphur emissions from shipping lines by 85 per cent by 1 January 2020. This is a significant development. Maersk and MSC have calculated the impact of the regulations to be US\$2 billion per year for each company, an amount that they will be seeking to recover from the world's shippers and freight forwarders via a new surcharge. CMA CGM recently announced that the estimated average cost based on current conditions will be US\$160/TEU.

Despite the 2020 effective date of the regulation, Maersk, MSC and others are introducing their new fuel surcharge mechanisms from 1 January 2019, that is a year before the regulation kicks in.

## Wheat Port Code review released

The final Wheat Port Code (WPC) review was recently released by Minister for Agriculture David Littleproud. The WPC regulates bulk wheat terminal service providers. According to industry feedback, Australian grain exporters benefit from the WPC.

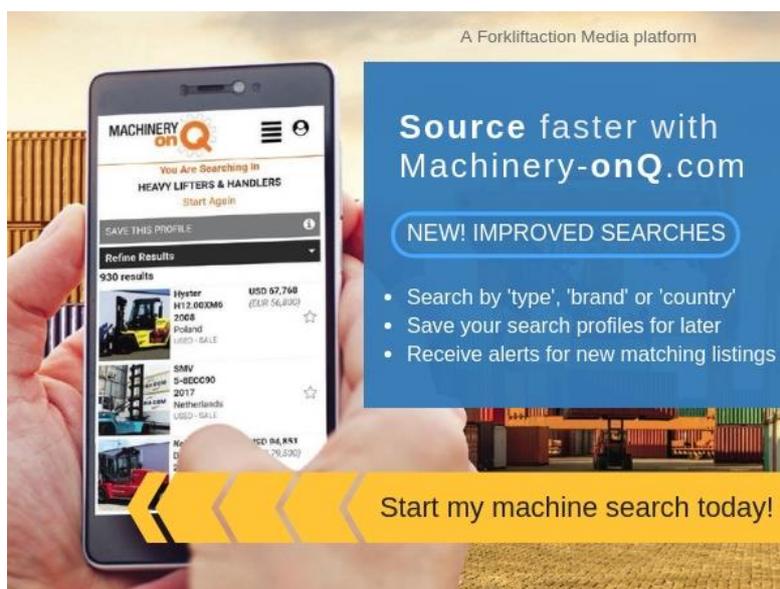
Minister Littleproud said the review recommended that the WPC continue, making only technical recommendations to further improve its operation. "We listened to farmers, bulk handlers, exporters and experts to make sure the code is giving exporters fair and transparent access to port terminals," Minister Littleproud said.

The taskforce met with more than 30 stakeholders, including government agencies, grower and industry representative bodies, exporters, and port terminal operators. The review received submissions from 15

organisations. "It makes sense to review codes to make sure they are doing what they're supposed to do," said Minister Littleproud.

The review made 12 recommendations to clarify and strengthen some parts of the code, including extending it to cover other grains. The review recommends the code stay in place and be reviewed again in 2022. Minister Littleproud went on to say, "I will consult with stakeholders as I consider the report ahead of releasing a government response to the review in coming months".

The review can be found on the department's website at: [www.agriculture.gov.au/ag-farm-food/crops/wheat](http://www.agriculture.gov.au/ag-farm-food/crops/wheat)



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The image shows a hand holding a smartphone displaying the Machinery-onQ.com website. The screen shows search results for 'HEAVY LIFTERS & HANDLERS' with 930 results. Two listings are visible: a Hyster H12.00XMS for USD 97,768 and a SMV S-85000 for USD 84,855. A blue overlay on the right contains promotional text and a list of features. A yellow arrow points from the phone towards the 'Start my machine search today!' text.

## New chair for Infrastructure SA

Tony Shepherd has been named chair of Infrastructure SA, the South Australian infrastructure body tasked with developing the state's 20-year infrastructure strategy and five-year infrastructure plans. Mr Shepherd was previously the chairman of the Abbott government's National Commission of Audit.

South Australian Premier Steven Marshall said he was "delighted" to have secured Mr Shepherd's services. "Tony Shepherd's experience in the infrastructure sphere speaks for itself, with an extensive career in the public and private sectors, including as chairman of the WestConnex Delivery Authority, overseeing one of Australia's largest ever transport projects," he said.

The Premier continued: "Planning and building infrastructure according to the geography of marginal seats and the timelines of electoral cycles has ended – Infrastructure SA will ensure we have better planning to support long-term economic growth, more jobs, and better, more affordable services."

## Linfox to buy Aurizon QIB

Linfox has reached an agreement with Aurizon Holdings Limited to purchase the company's Queensland Intermodal Business (QIB) for \$7.3 million. The transaction is subject to the Federal Court lifting the injunction that compels Aurizon to operate the QIB until final orders from the court.

In August, the ACCC blocked the sale of QIB to Pacific National, along with other Aurizon Queensland assets, saying it could substantially lessen competition. With a court date set for mid-November, pending a favourable ruling Aurizon and Linfox expect to seal the deal in early 2019.

The agreement will significantly increase the size of Linfox's intermodal rail capability and includes: Linfox having access to all necessary QIB freight depots in Queensland, including access to the Acacia Ridge Terminal; trucks, trailers, rail wagons for intermodal containers and heavy lift assets; transfer of existing customer contracts to Linfox; and transfer of approximately 190 existing Aurizon employees into the Linfox team. Under a separate 10-year commercial contract, Aurizon's Bulk business will also provide rail linehaul services and some terminal services to Linfox using Aurizon locomotives.

"Linfox is proud to be making another strategic investment in Australia. This significant acquisition will strengthen the Linfox network and increase competition in the Queensland logistics market. It will also bring certainty to Aurizon staff, regional communities and customers that would have been impacted if the Aurizon QIB business had closed," said Linfox Executive Chairman Peter Fox.

The transaction will increase the scale and scope of Linfox's services throughout Queensland and provide greater Queensland-based pick-up, delivery and warehousing capability. It will also significantly enhance the broader Australia-wide Linfox intermodal network and strategically position it for the future growth of inland rail.

## Strengthening Australia's agricultural traceability

The federal government has invested \$12.4 million in modernising traceability systems and consultation will start soon to develop a policy framework and action plan. The government believes that Australian farmers will be showing the world exactly how good their produce is with the National Traceability Project getting underway.

Minister for Agriculture David Littleproud said the project would enhance trust in Australian-grown products and give our farmers a competitive edge. "We'll be able to more easily find where a biosecurity or food safety problem began so an isolated incident won't impact a whole industry," Minister Littleproud said. "It will also let us stop overseas shipments earlier if there's a food safety issue. We already do this well but this will make us even better at it. It will let producers fully support claims, such as 'organic' and 'environmentally friendly'. This improvement will build greater trust in Aussie food and strengthen 'brand Australia'. If we can demonstrate our food is world's best we'll see better profits for farmers."

Consultations to develop the National Traceability Policy Framework and Action Plan will start within the next six months. "Improving our traceability systems will help us strengthen our reputation for delivering high quality, clean, green and safe food," Minister Littleproud said.

The National Traceability Project is being led by a Traceability Working Group with members from all Australian governments.

Find out more about the Traceability Project here: <http://www.agriculture.gov.au/market-access-trade/traceability-project>.

## Changes at MIAL board

At its recent annual general meeting, Maritime Industry Australia Ltd (MIAL) saw some significant changes to its board. Noel Hart announced his retirement as chair after a decade in the role and he has been succeeded by industry stalwart David Parmeter.

Mr Parmeter has a long and rich history with the Australian shipping industry, beginning in 1981 in Port Kembla with BHP Steel as an industrial relations officer before moving over to ANL in 1984. Mr Parmeter joined the Australian Shipowners Association (as MIAL was known then) secretariat in 1987 before moving to Teekay in 2002 as head of human resources in Australia. Subsequently he took on the role of managing director in 2006, a position from which he announced his retirement in May 2018.

MIAL also welcomes five new elected board members: Lada Bukharina (Teekay Shipping), David Borcoski (ASP Ship Management), Matt McDonald (Searoad Ferries), Greg Jackson (Carnival Australia) and Fred White (Sea Swift). They join existing board members David Ross (MMA Offshore) and Bill Bissett (CSL Australia) in a board that reflects the diverse mix of maritime business that makes up MIAL.

MIAL also announced that Vice-Admiral Tim Barrett has joined its board. Vice Admiral Barrett retired recently following a long and distinguished Navy career, most recently holding the role of Chief of Navy.

## ICHCA VIC luncheon – save the date!

ICHCA Victoria will be hosting its final luncheon for the year at the Marriott Hotel in Melbourne on **Tuesday 4<sup>th</sup> December**.

The luncheon will feature Ports Australia CEO Michael Gallacher speaking about Ports Australia's future directions.

More details will follow in future ICHCA Australia newsletters.



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## ICHCA AUSTRALIA LIMITED (IAL) PRIVACY POLICY

IAL's Privacy Policy details are available by contacting the Company Secretary, Peter van Duyn, via e-mail [peter.van-duyn@ichca.com](mailto:peter.van-duyn@ichca.com) or telephone 0419 370 332.

### Our contact with you

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