



September 2018

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. The ICHCA international website is at www.ichca.com. To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at peter.van-duyn@ichca.com or telephone 0419 370 332.

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Maersk Tankers to test Flettner Rotor sails



Maersk Tankers is testing the use of wind power to fuel its ships, a new technology it says can cut fuel consumption by up to 10 per cent and help the industry reduce polluting emissions. The move comes as the global shipping industry is suffering from rising oil prices and preparing for fuel costs to rise further by around a quarter, or some \$24 billion, in 2020 when new rules limiting sulphur kick in.

Rotor Sail Installation aboard Maersk Tankers. Photo: Maersk Tankers

The company has installed two 30-metre tall metal cylinders on board the Maersk Pelican, a Long Range 2 (LR2) product tanker vessel. The cylinders, or rotor sails, work as mechanical sails that spin to propel the vessel forward. The Maersk Pelican departed Rotterdam recently for a test journey. If successful, Maersk Tankers, which shipping giant Maersk sold last year to its controlling shareholder and Japan’s Mitsui & Co for 1.71 billion, plans to install the cylinders on half of its 164 vessels.

The company did not specify what savings could amount to but said an LR2 vessel on average uses around 35 tonnes of shipping fuel per day. At the current price of high sulphur fuel of around \$420 per ton, that would amount to yearly savings of as much as \$365,000 if the vessel sails 250 days in a year.

New CEO for NQBP

Nicolas Fertin has been appointed the new CEO of North Queensland Bulk Ports (NQBP). Mr Fertin was previously at Southern Ports Authority in Western Australia, where he had been the CEO since February 2015. Prior to this he held senior management roles within the property, port and rail sectors.

NQBP Chair Brad Fish said Mr Fertin has been appointed after a rigorous selection process. “The NQBP Board congratulates Nicolas on his appointment,” Mr Fish said. “As well as strong commercial skills, Nicolas has a track record of customer and stakeholder engagement. With more than half of Queensland’s trade by tonnage passing through our ports, I look forward to working with Nicolas and the whole NQBP team to deliver great outcomes for our communities and customers.”

OMC International wins Governor of Victoria Export Award

Winning a prestigious 2018 Governor of Victoria Export Award further cements OMC International’s reputation as the industry leader in under-keel clearance management, Executive Director Dr Terry O’Brien AM said. Dr O’Brien received the Business Services Award trophy from the Governor of Victoria, the Hon Linda Dessau AC, at a reception at Government House on September 14. The award was for “outstanding international success in the professional business services including ...engineering...”.

“This is a fitting win for our company,” Dr O’Brien said. “Our DUKC® technology is widely recognised as world’s best practice in under-keel clearance (UKC) management and OMC continues to be awarded contracts due to our extensive experience and unmatched expertise in this field. DUKC® systems have been

proven to offer greater efficiency, which increases our export dollars while ensuring safety. DUKC® remains the most sophisticated UKC system and is recognised as the global standard in UKC management. Every 45 minutes, somewhere in the world a ship sails under DUKC® advice.”

OMC’s DUKC® systems are installed in 30 ports around the world, including most Australian ports, and in New Zealand, Europe and North America, as well as in important waterways such as Torres Strait.

Biosecurity levy consultation

The DAWR is looking to introduce a Biosecurity Imports Levy on 1 July 2019 and has been consulting with affected industry parties on the design and implementation of the levy. ICHCA Australia and other industry stakeholders have had discussions with the Department about the levy and the Department has collated feedback received from all meetings held with industry to date. A summary of the feedback is published on [the department’s website](#). The information seeks to clarify frequently asked questions from industry participants during the consultation process.

Shipping Australia has collated a number of industry responses opposing the levy and has written to the Minister for Agriculture. Shipping Australia has strongly recommended that if the levy is to be imposed it should be collected using the most efficient means, that is through Full Import Declarations.

There will be further opportunities for input into the design of the levy. The department welcomes your views and encourages you to write to: levies.policy@agriculture.gov.au.

Brave new world?

What does the future hold for the container transport industry? To mark their 50th anniversary TT Club has fast-forwarded 25 years to 2043. In conjunction with global management consulting firm McKinsey, TT Club has published *Brave new world?*, a wide-ranging report summarising the thoughts and opinions of industry leaders on what the future holds for the container industry over the next 25 years.



TT Club is a member of ICHCA.

Full report here: <https://www.ttclub.com/news-events/brave-new-world/>

NSW Freight and Ports Plan 2018-2023 released

Transport for NSW recently released a new freight and ports plan for the state – *the NSW Freight and Ports Plan 2018-2023* – with the promise to deliver safer, faster, more efficient and sustainable freight movement to boost a growing NSW economy. More than \$5 billion will be invested across the sector to support the growing freight task while managing growth and congestion across road and rail.

Minister for Roads, Maritime and Freight Melinda Pavey said more than three million households and businesses across the state tap in to the freight network every day, relying on the timely and efficient movement of good to markets nationally and globally. “The amount of freight moved through NSW is set to grow by 28 per cent to more than 618 million tonnes by 2036. To support this, the *NSW Freight and Ports Plan 2018-2023* provides more than 70 initiatives for increasing capacity on the existing network, including building new infrastructure,” Mrs Pavey said.

“From big businesses to farmers, retailers to consumers - we all rely on our goods getting to us in a safe and efficient manner. For this reason, the NSW Government has set firm targets to achieve faster, more efficient and higher capacity networks to remain competitive, support jobs and deliver economic growth across NSW”.

"The *NSW Freight and Ports Plan 2018-2023* highlights the government and industry plans for road, rail, air, shipping and pipelines and builds on investment from the *2013 NSW Freight and Ports Strategy*," Mrs Pavey said. Significantly, the plan brings together policy makers, producers, operators, regulators and government allowing for more coordinated and better freight planning.

For further information go to <https://www.transport.nsw.gov.au/operations/freight-hub>

Oil prices set to rise when IMO sulphur reductions come into effect

New regulations to curb pollution from the world's shipping fleet could lift crude oil prices by \$4 a barrel when the measures come into effect in 2020, according to a Bloomberg survey of 13 oil industry analysts. The changes from the United Nations agency the International Maritime Organization (IMO) are likely to increase refiners' demand for lower-sulphur crude and prompt plants to substantially increase capacity.

In just 16 months, the IMO's rules to cap the sulphur content of ship fuel are set to create a once-in-a-generation upheaval in the oil market, as the regulator seeks to limit emissions of a pollutant that has been linked to asthma and acid rain. The global shipping fleet is reliant on refiners to supply IMO-compliant fuels, and it's not clear there will be enough to go around. Prices for low-sulphur products are already climbing, while those for high-sulphur grades are collapsing.

A similar effect is expected in the crude markets. Banks, including Societe Generale SA and Morgan Stanley, have said the regulations will likely lift the price of crude benchmarks Brent and West Texas Intermediate, which have a relatively low sulphur content.

By 2020, global crude oil demand is set to rise by two per cent to 87.7 million barrels a day, according to a forecast from the Paris-based International Energy Agency in March. If crude prices surge by \$4 a barrel due to the IMO rules, Bloomberg calculations show that would amount to an increase of about \$128 billion in the world's oil bill by 2020. Brent crude, the global benchmark, is now trading near \$77.50 a barrel.

While the majority of those surveyed agreed the rules will probably have a bullish effect on crude, some were more reticent because ships have the option of installing so-called scrubbers allowing them to keep burning high-sulphur fuels while limiting emissions of the pollutant. Companies that make scrubbers, including Wartsila Oyj and Alfa Laval AB, reported bumper orders in their most recent earnings. However, due to the cost, the majority of the world's commercial fleet (about 93,000 vessels) will not have installed scrubbers by 2020.

Newcastle welcomes ro-ro shipment for Newcastle Light Rail project



Newcastle Light Rail shipment. Photo: Port of Newcastle

The first carriage for the Newcastle Light Rail project was received by the Port of Newcastle on Saturday 8 September. The specialist consignment arrived on Hoegh's roll-on/roll-off vessel which docked at the Port's West Basin berth.

Port of Newcastle's Executive Manager Customer and Strategic Development Ian Doherty said the rail carriage arrival was another opportunity for the Port to demonstrate its project cargo and ro-ro capability.

"Whether it's via ro-ro or lo-lo, the Port of Newcastle has the expertise to handle all kinds of project cargo. We have handled thousands of passenger rail cars, locomotives, track machines and wagons, as well other

specialised machinery and equipment shipments for the construction, mining and agricultural sectors”, said Mr Doherty.

“With our latest project cargo arrival being destined for a high-profile local infrastructure project, our team brought a can-do attitude to the planning and delivery of this special cargo from the berth to the railway shed,” said Ian.

TasPorts CEO to retire

TasPorts CEO Paul Weedon is retiring. Tasmanian Minister for Infrastructure Jeremy Rockliff said Mr Weedon had spent the past eight years steering TasPorts into consistent profit, putting the company on track to double in size by 2022 to 2023. “Mr Weedon oversaw the modernisation of TasPorts entire fleet and accelerated the successful integration of Tasmania’s four port companies into a single, high functioning state-wide company,” he said.

Mr Rockliff thanked Mr Weedon for his hard work and dedication on behalf of the Tasmanian government and wished him the best for the future. While the recruitment process is underway TasPorts Chief Operating Officer Anthony Donald will be acting CEO.

Joint SAFC/ICHCA 2018 conference to be held in Adelaide



The South Australian Freight Council (SAFC), in collaboration with ICHCA, is hosting a joint conference aimed at exploring and explaining the critical change issues that confront the national, state and local transport and logistics industries, across all four modes (road, rail, sea and air), as they continue to perform their vital freight functions for industry.

With the theme “Future Freight: Embracing Change”, the Conference program will cover two days (Wednesday 31 October and Thursday 1 November 2018), commencing at 10:00am to allow delegates to complete any urgent work tasks before attending, and an early 3:00pm finish on Thursday for interstate delegates who need to catch late afternoon flights home. A cocktail and networking event will be held at the end of Wednesday’s proceedings.

The program is expected to cover many of the critical change issues confronting the national, state and local transport and logistics industry, across all four modes and along the supply chain.

Four key themes have been identified to date:

- Future Freight: Embracing Policy Change
- Future Freight: Embracing New Opportunities and New Supply Chains
- Future Freight: Embracing All Modes and their Changing Functions and Operations
- Future Freight: Embracing New Technologies

The conference is expected to draw solid support across all transport modes and from all functions along the supply chain – from paddock to plate and from wharf to warehouse, retail facilities and then into homes and businesses.

For further information and registration visit:

http://www.safreightcouncil.com.au/forumsconferencesevents_futurefreight:embracingchangesafcichconference2018.html

Conference organiser Mr Neil Murphy can be contacted on:

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Port of Melbourne stakeholder meeting

ICHCA Australia recently attended a Port of Melbourne stakeholder meeting to discuss and explore the opportunities and issues associated with the future growth and development of the port. Port of Melbourne Operations Pty Ltd is currently preparing a new Port Development Strategy (PDS) for the period through to 2050 and welcomes the opportunity to engage with stakeholders (as well as surrounding communities) to better understand their views and aspirations.

This is the start of the engagement process and there is an opportunity for input to the port's plans. The port would like to gain feedback on the key input assumptions that will drive infrastructure planning and hear from industry on the current and emerging trade and logistics requirements. Port of Melbourne will be working on the new PDS through to the middle of 2019 with this being the first opportunity to convey information on your industry's current and emerging trade and logistics needs and expectations.

A link to the 2050 Port Development Strategy can be found here:

<https://www.portofmelbourne.com/community-education/port-development-strategy/>

New Tech, New World Week meeting in Vancouver

ICHCA International, the US National Maritime Safety Association (NMSA) and hosts British Columbia Maritime Employers Association (BCMEA) recently held NEW TECH, NEW WORLD WEEK in Vancouver, Canada. A wide range of industry, regulatory and technology forces converged to challenge and change the world of cargo handling as we know it. The three-day event was proudly hosted by the BCMEA and held in the Morris Wosk Centre in Downtown Vancouver.



On Day One the ICHCA Technical Panel (ITP) held its 80th meeting. The ITP meets twice a year to discuss the latest developments in safety in cargo handling as well as recent incidents. The ITP has four separate workgroups: Straddle Carrier Safety, Dangerous Goods; Automation and Innovation; and Bulk Handling and

Storage. International experts provide advice on all of these subjects. The 81st meeting of the ITP will be held in Hull, UK in March 2019.

Day Two included a joint meeting of the NMSA and the BCMEA and a visit to the impressive training centre located in Vancouver, which is run by the BCMEA on behalf of more than 50 waterfront employers such as ship owners and agents, stevedores, container and cruise ship terminal operators located on the west coast of Canada.

Day Three concluded New Tech, New World Week with a well-attended conference which explored the latest industry, regulatory and technology trends and provided opportunities to share views and experiences on the impact these may have on safety, security, sustainability, skills development and day-to-day practical operations. Lively discussions were held about topics such as automation, digitalisation and the use of data in our industry.

The event was sponsored by Indurad, Yardeye, Exis Technologies and the National Cargo Bureau Inc. ICHCA Australia was represented by several members who made the trek across the Pacific.

Automated freight train derails in Devonport

An automated freight train carrying a cargo of cement in seven wagons derailed at Devonport recently. The train derailed on Formby Road opposite the post office and near a local cafe. Two pedestrians received minor injuries and were transported by to the North West Regional Hospital by ambulance.

In a statement TasRail said their network control centre was immediately alerted and they contacted police soon after who took action to ensure public safety. "As part of TasRail's emergency response protocol, the train was diverted to a dead-end siding track that has a permanent derailer, ensuring the train could be halted in the safest possible location," a TasRail spokesperson said. "TasRail can now confirm that the train was being operated in a loading yard via on-site handheld remote-control technology, which has been utilised for more than 15 years at this location."

In the statement TasRail also extended its thoughts to those injured and their families. TasRail said it had launched "a detailed investigation" into the incident and would cooperate with all relevant authorities.

Fatal accident in Port of Auckland

A Ports of Auckland worker, injured when the straddle carrier he was driving tipped over, has died. The straddle carrier, that is used to lift shipping containers, overturned at the Fergusson Container Terminal. The 23-year-old man had to be cut free from the vehicle's cab by Fire and Emergency crews.

Ports of Auckland Chief Executive Tony Gibson said the man later died in hospital from his injuries. He said they are devastated by the news and everyone who works at the port has been deeply affected. Mr Gibson said they are providing support for the man's family, friends and staff. The company and WorkSafe are both investigating.

ICHCA SA luncheon



ICHCA South Australia hosted its third business lunch for the year at the Lakes Resort Hotel on Thursday 20th September. Forty-five delegates attended to listen to a presentation by Mr Richard Price, chief executive of Defence SA, speaking on "Defence Opportunities and Global Supply Chains".

Mr Price covered an array of key priorities that the Department is championing, including Techport Australia's \$89 billion ship-building plan at Osborne in SA, with next generation submarines and warships, through to Cyber and Systems at Edinburgh Air Base with manned and

unmanned patrol and surveillance, cyber security growth networks.

The Department is also working in the emerging space industry, and military and civil applications of technology. Defence science and research partnerships were also covered. A lively discussion followed the presentation prompted by many questions from the audience. The ICHCA South Australian chapter is now focussed on the Joint SAFC/ICHCA conference: *Future Freight - Embracing Change* which will be held at the Adelaide Convention Centre on 31 October and 1 November 2018. The luncheon was proudly sponsored by:



Government of
South Australia

DEFENCE SA

BMSB season has started

The Brown Marmorated Stink Bug (BMSB) season has commenced. ICHCA Australia again joined fellow members of the DAWR Cargo Consultative Committee (DCCC) in addressing a range of BMSB matters, including the uptake of overseas approved treatment providers and the onshore treatment of cargo arriving from affected countries.

The Department strongly advises importers to seek approved treatment of the goods by overseas accredited providers. There are currently over a hundred overseas accredited providers. 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 (and costs) to the release of the affected cargo.

For more detailed and updated information please visit the [DAWR website](#).

DP World to increase infrastructure charges

DP World Australia (DPWA) says increasing costs and declining tariffs have led to the decision to increase the Infrastructure Access Charge for road and rail operators at its three east coast terminals. From 1 January 2019 the Infrastructure Access Charges will be: \$65.15 per container at Fisherman Island (Brisbane); \$63.80 per container at Port Botany (Sydney); and \$85.30 per container at West Swanson terminal (Melbourne).

According to a DPWA statement, Australia's stevedores "continue to face a dynamic and evolving market with unprecedented change, major investment in infrastructure, increasing costs and declining tariffs." The statement continues, "To ensure a sustainable future in an increasingly competitive market, DP World Australia is continuing the journey to a rebalanced revenue recovery from waterside to landside."

The administration fee for the electronic Vehicle Booking System will also be increased to \$12.95 per slot at all four terminals from 1 January 2019.

"We understand that increases in charges and fees will attract some criticism, and we do appreciate that this will be positioned as an effective doubling of the Infrastructure Access Charge," a DPWA spokesman said. "However, a financially healthy stevedoring industry is vital for the long-term economic well-being of Australia. Providing transport operators with extended notice, of more than 90 days, of these changes will help with their planning."

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The advertisement 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 items are visible: a Hyster H12.00XM6 2008 forklift from Poland for USD 67,748 (EUR 56,800), and a SMV S-8ECC90 2017 forklift from the Netherlands for USD 94,851 (EUR 79,500). The background of the ad is a stack of colorful shipping containers.

Airbus vessels to use wind power



Photo: Airbus

Airbus is to install a sail on one of its ro-ro vessels used to transport large aircraft parts between its production sites in Europe and the US. Dubbed “SeaWing”, the sail system is an automated kite that employs parafoil technology to tow large commercial ships. It is expected to provide a 20 per cent improvement in fuel economy and also reduce emissions.

Airbus estimates SeaWing could reduce the company’s overall environmental footprint by 8000 tonnes of CO² per year.

When installed on a vessel, the SeaWing system can be launched by flipping a switch. The kite unfurls and operates autonomously, with its system collecting and analysing meteorological and oceanic data in real time to optimise performance while ensuring safety. When the towing effect is no longer required, the SeaWing automatically re-folds and is recovered, ready for the next time it’s needed.

SeaWing was developed by AirSeas, a small Airbus start-up that brings together company engineers with a common passion for aeronautics and the sea. AirSeas CEO Vincent Bernatets said the first ro-ro vessel installation of the system opens the way for further pioneering deals on container ships, bulkers and ferries. “We are very proud that Airbus has confirmed its confidence in the SeaWing system after seeing our test results first-hand on their own ship,” he said.

First RORO ship berthed in Mackay

The first ever roll-on roll-off ship berthed at the Port of Mackay recently. North Queensland Bulk Ports Corporation (NQBP) Acting Chief Executive Officer Brendan Webb said the shipment marked a significant achievement for the port. “Trade growth and diversification are an important focus for the Port of Mackay. Our new infrastructure upgrades allow RORO vessels to berth, which significantly expands our capabilities,” Mr Webb said.

“These vessels make it easier to ship additional heavy vehicles and machinery into the port. More than 100,000 tonnes of break bulk cargo passed through the Port of Mackay in 2017-18 and we aim to continue this strong trend in the year ahead.”

Four Cat[®] 794AC trucks, which were loaded in the United States, were shipped into Australia by Hastings Deering. Hastings Deering’s General Manager Mining Sales Jason Smith said the delivery represented an important change in the heavy logistics supply chain traditionally employed for such cargoes. “Historically, this kind of machinery has had to be brought into Australia via other ports and transported large distances on the roads,” Mr Smith said. “With mining activity picking up in the Bowen Basin, it’s great to have the option to bring equipment directly into the Port of Mackay.”

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