

### September 2022

## **About ICHCA – International Cargo Handling Co-ordination Association**

The International Cargo Handling Co-ordination Association (ICHCA) is an international, independent, not-for-profit organisation dedicated to improving the safety, security, sustainability, productivity and efficiency of cargo handling and goods movement by all modes and through all phases of national and international supply chains. ICHCA International's privileged non-government organisation (NGO) status enables it to represent its members, and the cargo handling industry at large, in front of national and international agencies and regulatory bodies. Its Expert Panel provides best practice advice and publications on a wide range of practical cargo handling issues.

ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network. To access past newsletters and other useful information go to the ICHCA Australia website at <a href="www.ichca-australia.com">www.ichca-australia.com</a>. The ICHCA international website is at <a href="www.ichca.com">www.ichca.com</a>. To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at <a href="peter.van-duyn@ichca.com">peter.van-duyn@ichca.com</a> or telephone 0419 370 332.

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## ICHCA International participates in container cleanliness discussions

World food security and biodiversity is at risk from contaminating pests. Plant pests and diseases are responsible for the loss of up to 40% of global food crops and trade losses exceeding \$220 billion annually. The UN Commission on Phytosanitary Measures' Expert Focus Group and Industry Advisory Group are looking at potential pest contamination on sea containers. In particular, they are focusing on container exterior and interior cleanliness, cargo cleanliness and risks of pest contamination in the international containerized supply chain.

ICHCA International is part of the Industry Advisory group and will keep stakeholders abreast of outcomes.

## Innovation in Safety Award is open for submissions



The TT Club Innovation in Safety Award was set up with the purpose of celebrating safety innovation in the global freight supply chain.

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

The 2022 Award is **now open for entries**.

## New ECP is under construction at Port Botany

Marika Calfas, CEO at NSW Ports, recently announced that additional empty container park (ECP) capacity will be built at Port Botany. Expanding empty container storage capacity at Port Botany and implementing initiatives to encourage balanced two-way loading of vessels through the Empty Container Incentive Scheme (ECIS) are part of NSW Ports strategies for assisting the flow of containers and reducing empty container storage capacity constraints.

Ms Calfas was delighted to announce that a new ECP – to be operated by independent transport and logistics provider MEDLOG – is now under construction at Port Botany. MEDLOG's new facility will deliver an additional 6000 TEU of empty container storage capacity, increasing Sydney's empty container storage supply by about 10%. MEDLOG's ECP will adopt the latest technology, including paperless processing, to make truck movements safer and more productive and will feature sustainability initiatives such as rainwater harvesting and solar panels for power supply.

This is one of several measures that NSW Ports and their partners are delivering at Port Botany to enhance the capacity and productivity of the state's supply chains. DP World Logistics recently demolished two warehouses on the site adjoining their container terminal to deliver new empty container storage capacity. ACFS Port Logistics will take similar steps to increase the capacity of its empty depot facilities at Port Botany via consolidation of the e-depot sites, removal of two warehouses and site access enhancements to improve truck flows. Separately, planning approval has been granted by the NSW Government for increased empty container stacking heights across Port Botany, adding additional storage capacity.

### Another vessel capsizes due to stability issues



A small general cargo ship, mv Sea Eagle lost stability while unloading containers at the Turkish port of Iskenderun recently.

The 4,281-dwt vessel initially tilted to starboard to rest on the pier, before taking on water and capsizing to port with many containers falling into the water. Turkey's Ministry of Transport and Infrastructure confirms that 24 containers were lost overboard, and a minor oil leak was detected and boomed off.

The Togo-flagged ship is on its side with a boom surrounding it. No crew were injured in the accident.

Source: Turkish Ministry of Transport

Most of the ship is submerged in the water with the accident expected to affect productivity at the port for the near future. An operation to offload the ship's fuel and retrieve containers is taking place. The cause of the accident is under investigation but most likely a loss of stability due to incorrect cargo and ballast calculations and/or container weight declarations.

### **Working Armour joins ICHCA Australia**

Working Armour is a consulting business providing human factors risk services across all industries. Its principal, Julie Armour operates as a sole trader and engages associates and specialists' consultants as required in sub-consulting capacity. She has worked in a variety of capacities in projects in heavy industry, including oil and gas, maritime, ship building, port operations and services, transport and distribution interfaces, as well as interactions involving biosecurity and government regulators.

Julie has previously been involved in reviewing health, safety, human factors, and ergonomics risks related to port handling equipment (staddle carriers, forklift and quay cranes) operations and maintenance risks and fatality and serious injury investigations involving such equipment in Australasian and SE Asian ports and ship building facilities.



For further information Julie can be contacted on 041 227 5228.

ICHCA Australia welcomes Working Armour as a member.

## **NQBP** releases annual report

According to North Queensland Bulk Ports Corporation (NQBP) CEO Nicolas Fertin, despite supply chain challenges and the ongoing impacts of the COVID-19 pandemic, 145.1 million tonnes (Mt) of throughput passed through the ports, including a record-breaking year of 3.6 million tonnes for the Port of Mackay. "As a government-owned port authority, we are proud of the role we have played in supporting good local jobs while facilitating safe and efficient trade," Mr Fertin said.

"Our people continued to work safely and tirelessly to keep trade flowing throughout the pandemic in support of our port partners and our regional communities. With three major ports operating alongside the Great Barrier Reef, we also continued to keep environmental stewardship at the forefront of our business." Mr Fertin said NQBP reported a net profit after tax of \$7.3 million for the period.

Mr Fertin said NQBP is backing the State Government in its renewables and hydrogen policies. "Our east coast ports are prime locations to support sustainable trades of the future including hydrogen, renewables and biofuels," Mr Fertin said. "In the last 12 months, NQBP joined a consortium of Queensland and global businesses to explore the production and export of hydrogen through the Ports of Hay Point as well as responded to increasing interests in Abbot Point and Mackay." Mr Fertin said NQBP's four ports support around 26,700 industry jobs (agriculture, mining and transport) and trades that contribute more than \$46 billion in economic value. "This could only be achieved with the support and commitment of our people, port partners, customers, and port communities," Mr Fertin said.

## Port of Portland appoints new CEO

The Port of Portland has announced the appointment of a new Chief Executive Officer, Greg Burgoyne, who will succeed current CEO Greg Temewen from January 2023. Mr Burgoyne will join the Port of Portland team following ten years as CEO of the Glenelg Shire Council, prior to which he served as CEO at the Australian Taxation Office, after spending 18 years in senior management and board positions with Shell Australia.

"It is an honour to be appointed as CEO of Port of Portland. Not only is the Port a significant asset for Portland, but it also plays a pivotal role in Australia's export markets and is a major contributor to the Australian economy," he said. Port of Portland Chairman Lindsay Ward welcomed Mr Burgoyne on behalf of the board. "We are delighted to have Greg join the Port of Portland team. Greg has exceptional relevant experience and brings with him a wealth of industry knowledge," Mr Ward said. "As a local, he is very familiar with the operations at Port of Portland and has existing relationships with many of the Port's customers. We look forward to Greg commencing with us in January 2023."

## Report on the fire in the hold of BBC Rhonetal by ATSB

The Australian Transport Safety Bureau (ATSB) has issued safety recommendations to the managers and



parent company of the cargo ship BBC Rhonetal following an investigation into a fire in the hold of the vessel at Port Hedland, Western Australia.

The ship was alongside at Port Hedland on the morning of 25 March 2021 when a fire broke out in the lower cargo hold during hot work using a plasma torch to cut welded sea fastenings for cargo units in preparation for unloading them. The fire was not declared extinguished until three days later.

Source: ATSB

The ATSB's transport safety investigation into the incident found this to be the tenth such fire on a ship managed under the same parent company in the past 14 years, and the fourth investigated by the ATSB, identifying similar contributing factors. "The ATSB's investigation found the risk of fire had not been adequately assessed by the crew prior to the commencement of the hot work," ATSB Chief Commissioner Angus Mitchell said. "As a result, a continuous fire watch was not maintained, and proper precautions were not taken to sufficiently protect vulnerable cargo from catching alight."

The ATSB found *BBC Rhonetal's* managers had not effectively implemented the shipboard safety management system procedures to prevent the fire. "The continuing incidence of fires on the cargo holds

of ships while performing hot work highlights the importance of adhering to shipboard procedures and recognised safe work guidelines for hot work," Mr Mitchell said.

BBC Rhonetal's managers have advised the ATSB that procedures for hot work will be amended to better describe the role of the fire watch, emphasising its importance in fire prevention. Fire watch requirements will also be integrated into the hot work permit procedure and additional equipment for the fire watch is to be distributed across the fleet. The company also intends to undertake measures to educate shipboard crew on the amended procedures and the additional equipment, including through implementation of a training video.

"The ATSB is recommending the ship's managers, Briese Heavylift, and its parent company Briese Schiffahrts, take safety action to ensure safety management system procedures are effectively implemented on *BBC Rhonetal* and all other relevant ships across their fleets," Mr Mitchell said. "Ship operators and managers must ensure that their safety management system protocols for hot work are suitable and properly implemented on board their ships," he concluded. "This requires regular verification that ships' crew understand and follow prescribed safe work practices for hot work."



## **Productivity Commission draft report released**

Lifting productivity at our container ports could save business and consumers \$605 million each year. Reform could achieve consistent, high performance, according to a draft report released by the Productivity Commission. Importers, exporters and trucking companies are having to pay unfair charges because container terminal operators do not compete for trucking companies' business.

The report finds that workplace arrangements in our container ports lower productivity. Earlier intervention by the umpire – the Fair Work Commission – could help resolve protracted disputes about workplace arrangements. "Australia's major container ports underperform their 'best practice' peers overseas", said Commissioner Stephen King. "Underperformance on Australia's ports directly costs business

and consumers. Any sustained disruptions to imports or exports magnify these costs across the economy because of the critical role of ports to trade and commerce".

According to the draft report, poor container port performance is reflected in a number of factors. "For example, terminal operators' performance in handling containers is highly variable", said Commissioner King. "Simply achieving world average ship turnaround times would deliver significant benefits".

"Use of market power is a problem", noted Commissioner King. "Truck drivers have to pay whatever price the terminal operator demands to pick up or drop off a container. The shipping lines choose the terminals so they should pay these charges. Transport operators and cargo owners have to pay fees to shipping lines when they return containers late because empty container parks, which they are directed to, are full. This doesn't seem like fair conduct", said Commissioner Julie Abramson. "Australian consumer law exempts these contracts, and this should be remedied".

"Workplace arrangements at container terminals are holding back productivity", said Commissioner Abramson. "Highly restrictive clauses in terminal operators' enterprise agreements limit the ways that workers and equipment can be deployed. Changes to the Fair Work Act and operation of the Fair Work Commission are recommended to tackle protracted enterprise bargaining in container ports and the disruptive industrial action that comes with it", said Commissioner Abramson. Commissioner King noted that "planning to make sure that Australia's ports can handle bigger ships and growing container freight volumes in coming decades is well underway. And Australia's container ports are broadly in line with international practice when it comes to technology adoption".

The draft report, *Lifting productivity at Australia's container ports: between water, wharf and warehouse,* is being released for comments and further submissions from interested stakeholders. The report can be found at www.pc.gov.au. Comments on the draft report need to be submitted by 14 October.

## Port of Melbourne capacity enhancement program

The Port of Melbourne is embarking on the next stage of its port capacity development, called the Port Capacity Enhancement Program (PCEP). As part of their stewardship obligations, they need to ensure that port capacity can meet the future demands of Victoria's growing economy. This is especially important as building new port infrastructure has long lead times, requiring the port to start planning now for the longer-term future of the port. The port is now engaging with stakeholders and seeking their feedback

The PCEP is a significant potential infrastructure development, aimed at developing a Webb Dock North Container Terminal and creating a long-term future for Tasmanian Trade Terminals. This was outlined in their **2050 Port Development Strategy**. Port of Melbourne CEO Saul Cannon said the port is committed to inclusive, timely, genuine and transparent stakeholder communication.

Findings and feedback will be used to inform a Cost Benefit Analysis (CBA). We will also engage with stakeholders between December 2022 and March 2023 to seek feedback on the emerging findings from the CBA. ICHCA Australia has been involved and has provided input in stakeholder consultations.

See: https://www.portofmelbourne.com/port-of-melbourne-embarks-on-stakeholder-engagement-for-port-capacity-development/ for further information.

## **Darwin Port appoints new CEO**

Peter Dummett has been appointed by Landbridge Australia as Chief Executive Officer of Darwin Port after serving as its acting CEO for the past three months. Darwin Port's Non-executive Director Terry O'Connor said Mr Dummett will be a solid leader for the port, with his extensive knowledge and experience in

maritime, shipping, trade and logistics. Mr Dummett joined Darwin Port Corporation in 2011 as General Manager of port development and continued in the role through Landbridge's acquisition of the port in 2015.

His maritime career started in the Royal Australian Navy, where he developed an interest in commercial shipping, before moving on to numerous roles in the shipping industry including regional development manager with Swire Shipping. Mr Dummett later joined Perkins Shipping in the role of Coastal Trades Manager, which he continued after Toll's acquisition of Perkins before joining Darwin Port in 2011.

## **NPDL** joins ICHCA

Neptune Pacific Direct Line (NPDL) recently joined ICHCA Australia. Owned by The Wonderful Company, NPDL is one of the South Pacific's top shipping and logistics companies and was formed in 2020 when Neptune Pacific Line acquired Pacific Direct Line (PDL). As an end-to-end supply chain provider, NPDL currently services 16 countries and 22 ports in the South Pacific and is the primary carrier of FIJI Water from Fiji to countries around the world. NPDL is committed to providing outstanding service to customers and is widely known as a reliable, end-to-end liner shipping solution provider for the region. NPDL's operations include shipping, shipping agencies, cruise agencies, stevedoring (port operations), transport and customs clearance, container repair, container sales, container depot operations, fumigation, airfreight, fuel brokerage, warehousing, and waste removal.

To further promote vertical integration across the supply chain, NPDL constantly develops additional businesses and opportunities to expand its extensive network. Over the past nine months alone, NPDL added three vessels to its fleet – *Capitaine Kupe, Capitaine Baret* and *Capitaine Tupaia*, bringing its fully owned fleet to eight vessels.



ICHCA Australia welcomes NPDL on board and looks forward to partnering with the team to help improve cargo handling throughout international supply chains, build stakeholder relationships, and share industry best practices.

# Toll Shipping to change its name to Strait Link

Toll Shipping has announced it will become an independent shipping company in Tasmania under a new name. Toll Shipping is currently part of the Toll Global Express group, which connected the island state with the mainland through its Tasmania Shipping service. In September last year, private equity company Allegro Funds acquired Toll Global Express from Japan Post, the parent company of Toll Group. Earlier Toll Global Express announced it would change its name and brand identity to Team Global Express, officially dropping the Toll branding. The new branding will be rolled out across the group's digital assets, uniforms and fleet from September this year.

The change was followed closely by the recent announcement confirming Toll Shipping would operate independently from the Team Global Express group and change its name to Strait Link. Although Strait Link will be an independent company, it will still operate within the Allegro portfolio of businesses. "Allegro sees huge potential for the shipping business and becoming an independent company with strong leadership will empower the business to focus on what it does best in adding value for our customers," Toll Global Express chair Adrian Loader said. Christine Holgate, group CEO of Toll Global Express, said the most recent announcement marks "an exciting new chapter" for Global Express and Strait Link.

## Freight Victoria develops Container Storage Industry Guide

A Container Storage Working Group chaired by Freight Victoria was formed earlier this year to understand pressures on the storage of shipping containers and to identify emerging themes and possible solutions. It involves key representatives from across the shipping industry, stevedores, transport operators and peak bodies. The collaboration contributed to the development of the Industry Guide, a collection of vital insights and feedback from the industry and potential voluntary solutions.

A trial of paperless truck entry to ECPs has already been launched in partnership with Container Transport Alliance Australia. The Industry Guide will also alert the sector to signs of stress in the container supply chain and potential actions that can be taken in response. The Victorian freight network underpins the state's economy, providing industries and consumers access to products they need and connecting producers to national and global markets.

Development of the Industry Guide includes detailing key roles, responsibilities, and relationships in the flow of containers that will be published on the Department of Transport website. There will be further development of the Working Group's endorsed performance indicators, which will ultimately be incorporated into Victoria's Voluntary Performance Monitoring Framework.

For more detail on the Container Storage Industry Guide visit: <a href="https://transport.vic.gov.au/ports-and-freight/commercial-ports#container">https://transport.vic.gov.au/ports-and-freight/commercial-ports#container</a>

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

#### **BRZ** implemented at First Point of Entry ports

Biosecurity Response Zones (BRZ) will be implemented at all First Point of Entry ports (including External Territories) in response to the current outbreak of foot and mouth disease (FMD) in Indonesia. FMD is a significant biosecurity threat to Australia which could cost \$80 billion over several years if there is a widespread outbreak here. To address the ongoing risk, the Director of Biosecurity has made a determination to establish biosecurity response zones at international ports that are First Points of Entry under the Biosecurity Act 2015.

Footbaths have been used as a response measure at ports since early August, for any vessels arriving from Indonesia. This measure is now being introduced for cruise vessel travellers arriving in Australia from Indonesia. Sanitisation foot mats will be deployed in cruise terminals for use by travellers who are disembarking vessels arriving from Indonesia directly, or that have been in Indonesia during their voyage. All persons disembarking the cruise vessel are to walk through the foot mats in footwear visibly free from organic material (that means footwear must be clean prior to the foot mats being used).

Biosecurity officers will manage the preparation, maintenance, placement, and use of the foot mats at cruise terminals. An additional arrival biosecurity message is being provided to cruise vessel agents to alert passengers to the risk of FMD, and the requirement to use the sanitisation foot mats to treat the soles of their shoes when they leave the vessel. The use of these sanitisation foot mats is in addition to all usual biosecurity requirements, including the requirement for passenger and crew to make declarations on arrival, and to leave all food onboard vessels.

#### Rapid response team established

The department is aware of the continuing impact delays in biosecurity clearance are having and that this is compounded by current shipping, logistics and workforce disruptions. All efforts are being made to manage these increased workloads and reduce the impacts on clients while still effectively managing biosecurity. The department has established a rapid response team to provide additional capacity to directly manage

and reduce the number of delay issues. This will include ongoing collaboration with industry regarding the department's regulatory service delivery offering. The intent of the rapid response team is to:

- enhance collaboration with industry regarding the department's regulatory service activities
- identify biosecurity roadblocks including those that are trade and logistics related
- expand current industry engagements and communications
- develop a targeted triage system for complaint resolution.

The department envisages enhanced engagement with industry and will host a range of webinars (both general and sectoral) to provide opportunity for information exchange and collaboration. The team will take on board previous feedback from industry and reuse information from other engagement activity that may be underway to minimise duplication. The department will continue to allocate its resources to areas of highest priority and implement COVID safe practices to minimise impacts to staff and industry during this time

### **ICHCA Contacts**

#### **ICHCA Australia Chairman**

John Warda

Mobile: 0417 875 113

Email: jpwarda@bigpond.com

#### **Company Secretary**

Peter van Duyn

492 George St, Fitzroy VIC 3065

Mobile: 0419 370 332

Email: peter.van-duyn@ichca.com

### State co-ordinators

#### **New South Wales**

Marcus John

Mobile: 0413 486421

Email: marcus.John@thomasmiller.com

#### South Australia

Michael Simms

Mobile: 0418 802 634

Email: Michael.Simms@fphgroup.com.au

#### Queensland

Sallie Strang

Mobile: 0412 604 842

Email: sallie.strang@jaiota.com

#### **Victoria**

Peter van Duyn

Mobile: 0419 370 332

Email: peter.van-duyn@ichca.com

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

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