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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 . 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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ICHCA Australia AGM

ICHCA Australia Ltd held its Annual General Meeting (AGM) on Wednesday 15 May 2024 via teleconference. Two directors, Marcus John and Peter van Duyn were up for re-election and were re-elected unopposed. The following positions were filled and accepted by the nominees:

Chairman: Scott McKay

Deputy Chairman and Finance Director: Peter van Duyn

Directors: Michael Simms, Jonathan Lafforgue, Nigel Edwards and Marcus John.

Laurence Jones will continue as an alternative director for Marcus John.

At the board meeting preceding the AGM Peter van Duyn was re-elected as **Company Secretary**.

Melbourne car terminal sold to AAT

Wallenius Wilhelmsen (WW) recently sold its Melbourne International Ro-Ro & Auto Terminal (MIRRAT) to Australian Amalgamated Terminals (AAT), a wholly owned subsidiary of Qube Holdings. “WW will continue to utilize MIRRAT following the transaction, ensuring services to its customers will not be impacted by the sale,” said WW President and CEO Lasse Kristoffersen.

AAT will pay \$332.5 million for MIRRAT, said to be Australia’s largest automotive port terminal. It was established in 2016 after WW won a 2014 Port of Melbourne tender to redevelop and operate the 3 Webb Dock West berths. Qube Managing Director Paul Digney said, “As the only dedicated roll-on, roll-off terminal servicing the Victorian market, MIRRAT plays a critical role in the Victorian and national economy. As a leading Australian logistics provider, Qube is delighted to acquire this high-quality asset, which plays a critical role in efficient import and export automotive supply chains. This is a business Qube knows well, recognising that MIRRAT shares a common underlying customer base with AAT.” Completion of the acquisition is conditional on Australian Competition and Consumer Commission and Port of Melbourne approval and is expected to be finalised in early FY25.

Allianz report warns of challenges in shipping

The global shipping industry has seen a significant reduction in the number of vessel losses recently, but faces increasing volatility from geopolitical events, climate change, and the trend towards larger vessels, according to marine insurer Allianz Commercial. The number of large vessels lost by the global shipping fleet fell to record low of 26 in 2023, representing a decline of over 70% over the past decade and more than a third year-on-year, as revealed in Allianz’s [Safety and Shipping Review 2024](#).

Captain Rahul Khanna, Global Head of Marine Risk Consulting at Allianz Commercial, stressed the unprecedented speed and extent at which the industry’s risk profile is changing. “Conflicts such as in Gaza and Ukraine are reshaping global shipping, impacting crew and vessel safety, supply chains and infrastructure, and even the environment. Piracy is on the rise, with a worrying re-emergence off the Horn of Africa. The ongoing disruption caused by drought in the Panama Canal shows how the changing climate is affecting shipping, all at a time when it is having to undertake its most significant challenge, decarbonisation,” said Captain Khanna.

In 2023, global total losses in shipping decreased to 26 from 41 the previous year, with cargo ships accounting for over 60% of these losses. The main cause was sinking, accounting for 50% of losses, with extreme weather contributing to at least 8 losses. Although the number of shipping incidents and onboard fires declined, fires remain a significant safety concern due to their potential threat to life, extensive damage, and high associated costs, contributing to the long-term increase in large marine insurance claims.

The report also highlights that the South China, Indochina, Indonesia, and the Philippines maritime region accounted for almost a third of the vessels lost last year, making it the global loss hotspot. Attacks on shipping in the Middle East have significantly impacted Suez Canal transits and global trade, exacerbating disruptions already caused by drought in the Panama Canal. This has led to lengthy diversions and increased costs for vessels. Allianz's report notes that re-routing also affects the risk landscape and the environment, with smaller vessels facing challenging conditions, potential lack of support infrastructure for large vessels, and increased speeds leading to higher emissions.

Geopolitical conflicts and the consequent disruption to shipping are likely to continue. Increasing threats to commercial shipping posed by new technology, such as drones, are also a growing concern. The report reveals that incidents involving a 'shadow fleet' of tankers, which operate outside international regulation, have been increasing, contributing to serious environmental and safety risks. Amid these challenges, the shipping industry is also grappling with the imperative of decarbonisation. The shipping industry is committed to meeting stringent emission reduction targets. This demands a combination of strategies, including improving energy efficiency, adopting alternative fuels, and innovating ship design and propulsion methods.

The report warns that the industry needs to increase shipyard capacity to meet the demand for green ships. The number of shipyards more than halved between 2007 and 2022, and over 3,500 ships must be built or refitted annually until 2050. This constraint could lead to long delays for repairs and maintenance of damaged vessels or those with machinery issues, which were the most frequent cause of shipping incidents in 2023.

AMSA bans another vessel

The Australian Maritime Safety Authority (AMSA) recently issued a 180-day ban to the Indian-flagged bulk carrier *Darya Shaan*, after its operator took repeated risks with the safety of the crew, the vessel, and the Australian marine environment, by not reporting serious defects to the main engine and machinery whilst the ship entered Australian ports. AMSA inspectors attended the ship at Port of Melbourne in April and found multiple maintenance issues on board. This included defective main engine control and monitoring systems; a faulty engine room alarm monitoring system; defective starting arrangements for 2 generators; a failure to maintain the ship after survey, evidenced by 19 deficiencies; and a safety management system that fails to ensure the ship is maintained and that defects are reported appropriately.

AMSA is aware that the operator, Anglo-Eastern Ship Management (India), was notified of "serious safety concerns" prior to arrival in Australia. AMSA Executive Director of Operations Michael Drake said these defects posed a significant risk to the Australian marine environment and the safety of the *Darya Shaan's* crew. "When ship operators play fast and loose with engine maintenance, the consequences can be dire," he said. "These defects could cause the ship to lose power during critical navigation, such as in a narrow channel, resulting in a grounding, or collision with another ship or structure. The fact that this operator knew about these defects and did not report them to AMSA is appalling and deserving of a 180-day ban. This was a clear attempt to conceal serious defects to Australian authorities and demonstrates a disregard for the safety of the ship, its crew and the marine environment."

Mr Drake said AMSA had noticed an increase in main engine defects in recent years and had been taking action on substandard vessels. "AMSA has a world-class reputation as a regulator, and we will not tolerate unsafe ships in our waters."

Paul Scurrah to resign from PN

Managing director and CEO Paul Scurrah has announced his impending resignation from Pacific National (PN). He will step away from his role on 31 December this year after joining the business in April 2021.

Scurrah announced his resignation via LinkedIn, saying he embraced the challenge of navigating the business throughout COVID and stabilising PN to be a “modern and progressive company”. Upon reflecting on his time at the helm of the national freight rail operator, Scurrah says restoring customer confidence and establishing a culture that reflects the company’s values have been highlights. “I’m proud to say that we have made great progress as a business and I take particular pride in the team that I have built around me. Their unwavering commitment and drive ensures we remain on the path to success,” he says. “Importantly, we also strengthened our safety culture, which recently saw us champion a national awareness campaign on dangerous level crossings while honouring our colleagues who tragically lost their lives when a truck collided with their train earlier this year”.

MinRes delivers first transhipments

Mineral Resources (MinRes) recently delivered its first iron ore shipment ahead of schedule from its Onslow Iron project, unlocking a new iron ore mining region for Australia. Two 20,000-tonne transhippers, *MinRes Coolibah* and *MinRes Airlie*, were used to load iron ore aboard a bulk carrier anchored 40 km off the Port of Ashburton. The milestone was achieved just 11 months after ground was broken at the Ken’s Bore mine site, located 150 km east of Onslow.

MinRes designed, built and is managing the innovative mining and transport infrastructure unlocking stranded iron ore deposits in the West Pilbara that would otherwise remain undeveloped. MinRes Managing Director Chris Ellison said the historic moment cements our position as Australia’s leading commodity infrastructure business.



Photo: MinRes

“We have unlocked a whole new iron ore region for Australia while Onslow Iron is a game-changer for MinRes as we transition to low-cost, long-life operations,” he said. “This project was stranded for more than a decade. In 2021, MinRes breathed new life into it and in less than three years we have planned, designed and have now delivered first ore on ship ahead of time and on budget.”

Onslow Iron will ship 35 million tonnes a year, with an expected mine life of more than 30 years.

Development at Beveridge to commence and WIFT put on hold

The Australian Government recently announced an additional \$750 million in funding towards the delivery of Camerons Lane Interchange to help progress the Beveridge Intermodal Precinct in Victoria. National Intermodal is leading the development on behalf of the Australian Government.

National Intermodal Chief Executive James Boulderstone said National Intermodal was keen to start on the project. “Beveridge will be connected to every metropolitan city in Australia – Adelaide, Perth, Sydney, and Brisbane – it will be double the amount of volume and consumer goods that go through any other place in Australia,” he said. “We’re really keen to get it up and running quickly – announcements are one thing, but delivery is what it’s really all about and we’d love to have this construction starting in the coming months with first phase opening towards the end of 2025.”

As a result of the announcement the Victorian Government has decided to postpone the development of the Western Interstate Freight Terminal (WIFT), a freight hub that was to be situated in the suburb of Truganina in Melbourne's west. The proposed WIFT and Beveridge Interstate Freight Terminal (BIFT) sites have been a source of fiscal debate and contention since their respective proposals in 2018, with the Victorian Government having previously urged WIFT's development as a priority, and the Commonwealth preferring BIFT to be developed first. The Victorian Government has also decided to extend the interstate rail freight operations in the Dynon precinct beyond 2031 to deliver certainty for industry.



Nicaragua canal shelved

Nearly a decade after it broke ground on a controversial plan to build a canal linking the Atlantic and the Pacific, Nicaragua has cancelled a concession granted to a Chinese businessman to complete the project, which critics said would endanger the environment and displace rural communities. Despite a symbolic "ground-breaking" in 2014, no work has been done on the canal that was to link Nicaragua's Atlantic and Pacific coasts. At one point, crews broke ground on access roads near the canal but digging the waterway never started.

The proposed US\$50 billion, 172-mile (278 km) canal across this Central American country was long viewed as a joke. The canal would have bisected Lake Nicaragua – Central America's largest lake, and would be one of the world's biggest civil engineering and construction projects, dwarfing the Panama Canal. The 50-year canal concession was granted to the Hong Kong-based company HK Nicaragua Canal Development Investment Company, owned by the Chinese businessman Wang Jing. Before winning the concession, Wang had no experience in civil engineering and had built a fortune in telecoms. Much of that fortune was wiped out in China's 2015 stock market crisis, when he was reported to have lost up to 85% of his wealth.

Port of Newcastle reimburses NSW Treasury

The Port of Newcastle board has voted in favour of paying the one-off compensation payment recently handed down by the NSW Independent Pricing and Regulatory Tribunal (IPART), thus severing their liability to the NSW Government and allowing the port to finally grow its container trade.

The course of events began in 2013 when the NSW Government sold Port Botany and Port Kembla to NSW Ports, along with the Port of Newcastle to a separate buyer one year later. Legislation passed in 2022 eliminated the Port of Newcastle's liability to the State for developing a new container port. However, it was on the condition they agreed to compensate the State with an amount determined by IPART, which was recently announced to be \$13.1 million. The one-off payment means the Port of Newcastle can handle container trade above a specified level and will no longer have to reimburse the NSW Government for

compensation payments owed to NSW Ports. NSW Ports is still to be compensated by NSW Treasury for a yet to be decided figure.

Northern Sea Route to be used by container ships

Russia's main Arctic shipping route is slated to see its first Panamax container vessel this year. The 4,890-TEU box ship *Flying Fish 1* received a permit to transit the country's Northern Sea Route (NSR) this summer. *Flying Fish 1*, a 24-year-old container ship, would be the first Panamax container vessel to travel across the Arctic. The 66,781-dwt vessel provides service as part of Safetrans Line's Trans-Russia liner loop between St. Petersburg and destinations in China. The vessel looks set to become part of the nascent China-Russia box trade via the Arctic.

Safetrans Line acquired the ship in October 2023. Its Ice-1 ice class allows it to navigate all sectors of the NSR independently without icebreaker escort in ice-free and light ice conditions between July and October. The permit details suggest a planned round-trip voyage between early August and October. The NSR route allows vessels to avoid the ongoing conflict areas in the Red Sea and the Gulf of Aden without detouring via Cape Horn. During summer 2023, Chinese company NewNew Shipping sent 4 feedermax ships through the Arctic, completing 7 voyages between July and December. While thick sea ice continues to dominate the route during winter and spring, even non-ice class vessels now routinely transit the route during the summer months. Last summer, the first-ever Capesize bulker as well as multiple Suezmax oil tankers used the NSR. A number of container shipping lines, such as CMA-CGM, MSC and Hapag-Lloyd have ruled out using the NSR.

Container ship Dali refloated

The containership *Dali* that destroyed Baltimore's Francis Scott Key Bridge was recently refloated. Tugboats led the *Dali* to a local marine terminal after a successful effort to make the container ship buoyant.

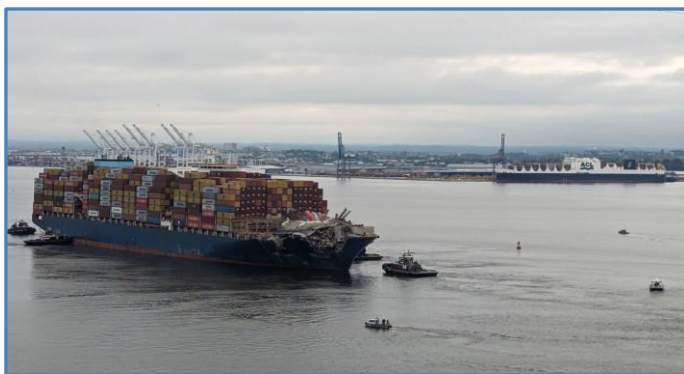


Photo: USACE Baltimore

The removal of the *Dali* marked a significant step in the Port of Baltimore's recovery from the ship's March 26 collision with one of the bridge's supportpillars. The bridge's collapse killed six road workers and hindered traffic through the busiest port for car shipments in the US.

Crews set off controlled explosions to allow them to remove a portion of the fallen bridge from the bow of the *Dali*, which had been pinning the ship in place. That allowed salvage crews to haul away the twisted metal wreckage using cranes and barges, and free the ship for refloating and removal. Federal investigators said in a preliminary report that the *Dali* had lost electrical power several times before crashing into the bridge as it was leaving the port. Maryland state officials estimate it will cost US\$1.7 billion to \$1.9 billion to rebuild the bridge and they anticipate it will be completed by Autumn 2028.

Sheep export trade to end in 2028

The Australian Government has announced that the export of live sheep by sea will end on 1 May 2028. Legislation will be introduced in this term of Parliament to end the trade. The trade can continue until the

end date without any additional restrictions, such as caps or quotas. The prohibition will not apply to other livestock export industries, such as live cattle exports, nor will it apply to live sheep exports by air.

The Minister for Agriculture, Fisheries and Forestry, Senator the Hon Murray Watt recently announced the decision together with the release of the Government response to the report of the Independent Panel on phasing out live sheep exports and a transition support package. The Government has committed \$107 million over 5 years for sheep producers and the supply chain to plan for and adjust to the phase-out. The the National Farmers Federation, the WA Government and the National Party have condemned the move, but it has been welcomed by animal rights groups.

DP World launches rail service at Yennora IMT

DP World has announced the expansion of its Australian operations and the launch of its new rail service at Stockland's Yennora Intermodal Terminal (IMT). The Yennora IMT will offer 2 direct rail services to and from Port Botany per day on a dedicated DP World-owned and operated rail line. "At DP World, we are establishing our own assets and building infrastructure where it's needed to create seamless connections and provide increased control and flexibility," said Nicolaj Noes, Executive Vice President, Oceania, DP World. "Our partnership with Stockland and expanded presence at the Yennora Intermodal Terminal means that we can offer services that suit the growing needs of our customers, and they can better rely on us to ensure their goods are delivered in a timely manner."

The daily port-rail service is expected to manage an annual rail capacity of 160,000 TEUs. It is also expected to reduce up to 160 truck trips per day, lowering overall emissions. Located around 30 km west of the Sydney CBD, the Yennora IMT is one of the largest distribution centres in Oceania and is strategically positioned as a key logistics hub in Sydney. It covers more than 70 hectares with 300,000 square metres of warehouse space.

Updates from the Department of Agriculture, Fisheries and Forestry

End of BMSB season

The Department has advised that on 1 May 2024, the 2023-24 Brown Marmorated Stink Bug (BMSB) risk season ended. Goods shipped on board or vessels departing from BMSB identified target risk countries on or after 1 May 2024 will no longer be subject to the BMSB seasonal measures, including Seasonal Pest Inspection on arrival.

Target high risk goods manufactured in or shipped from target risk countries that are shipped on board vessels between 1 September 2023 and 30 April 2024, remain subject to BMSB measures on arrival regardless of the arrival date. Importers are reminded that it is their responsibility to continue to ensure that any goods imported are free of biosecurity risk material throughout the year, not just during periods of heightened seasonal measures.

New fumigation scheme announced

The Department is introducing a new pre-border treatment provider assurance scheme called AusTreat. AusTreat is a government-to-industry scheme that will replace the existing Offshore BMSB Treatment Provider scheme and set the conditions for the regulation of pre-border biosecurity treatment providers. AusTreat will increase the consistency and coverage of Australia's regulation of pre-border treatment providers, keeping biosecurity risk offshore.

From 1 September 2024, treatments conducted in BMSB target risk countries on target high risk goods manufactured in, or shipped from target risk countries, will need to be conducted by a treatment provider

registered under AusTreat and listed as approved on the list of treatment providers. AusTreat has been designed to enable assurance over a wide range of target pests, treatment types and treatment providers. The scheme will have the flexibility to respond to changes in risk over time. If a new pest emerges as a biosecurity threat to Australia, treatment providers conducting treatments for that pest will be able to register under AusTreat. This eliminates the need to develop new pest-specific schemes following the emergence of new biosecurity pests.

The Department will release further information prior to the start of the BMSB season.

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