About ICHCA – International Cargo Handling Co-ordination Association

The International Cargo Handling Co-ordination Association (ICHCA) is an international, independent, not-for-profit organisation dedicated to improving the safety, security, sustainability, productivity and efficiency of cargo handling and goods movement by all modes and through all phases of national and international supply chains. ICHCA International's privileged non-government organisation (NGO) status enables it to represent its members, and the cargo handling industry at large best, in front of national and international agencies and regulatory bodies. Its Expert Panel provides practice advice and publications on a wide range of practical cargo handling issues. ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network (www.ichca.com). To access past newsletters and other useful information go to the ICHCA Australia website at www.ichca-australia.com.

Inside this issue

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HFW *'Sector focused legal experts'*

New Director joins ICHCA Australia

ICHCA Australia welcomes Tim Polson as a Director. Tim is GM Solutions (Oceania) at Ligentia Australia and is based in Brisbane. Tim is responsible overseeing the 'solutions', that is the software/supply chain re-engineering/value added services of the business in Oceania.

Tim has had a long career in supply chain management working for companies such as Agility, Asiaworld Shipping and SKM/Jacobs Engineering. Tim started his career working for Maersk in their graduate program. Tim has an MBA from Griffith University and a Bachelor of International Business from QUT.

MCC Group joins ICHCA Australia

Founded in 1991, **The MCC Group** is an Australian group of companies providing a wide range of services to the maritime industry. These services include traditional marine surveying and advisory services, waterfront loading and discharge experts, cargo hold cleaning, general assistance and Authorised Officers. Operating with a team of over 80 experienced staff, they operate 24/7 all through the year. The head office is in Brisbane, QLD, and there are offices in Sydney, Wollongong and Newcastle in NSW, with services provided to a diverse range of clients all around Australia and overseas.

ICHCA Australia welcomes MCC Group as a member and looks forward to working with them to enhance safety and efficiency in the cargo handling industry.

Stage two of NSW Ports' rail investment announced

The rail capacity of Sydney's freight supply chains will receive a boost with Stage two of NSW Ports' On-Dock Rail Investment Program at Port Botany scheduled to commence in the first half of this year. Stage Two of the program will see NSW Ports co-invest with DP World in a new rail terminal to be built at DP World's Port Botany container terminal. This will include 600-metre rail sidings serviced by rail-mounted gantry cranes, ultimately boosting rail handling capacity at the terminal to a throughput of 1 million TEU per annum. NSW Ports will contribute $148 million towards the delivery of four rail sidings. DP World will invest $250 million in an additional rail siding, operational equipment and significant upgrades to its adjacent logistics park as part of a broader project.

NSW Ports CEO Marika Calfas said sustainable supply chains were critical to the NSW economy to ensure cost effective and timely delivery of imported goods to households and businesses and for the state's exporters to reach global markets. "This project will move more containers on rail to reduce the growth of trucks on roads, reduce transport emissions and secure the efficiency of the state's supply chains," Ms Calfas said. "This new rail terminal will improve efficiency and reduce turnaround times for containers at the port. It will reduce congestion by taking trucks off NSW's roads, benefiting households and businesses right across the state."

DP World Executive Vice President Oceania Nicolaj Noes said the project would deliver significant benefits for customers. "This is what world-class logistics infrastructure is all about – delivering capacity, superior agility, seamless integration of processes, increased productivity, added reliability and predictability while at the same time improving safety," Mr Noes said. "This new facility delivers on all these critical elements, and we cannot wait for our present and future customers to reap the benefits."

Port Botany is the only port in Australia with on-dock rail within each container terminal, connected to Sydney's extensive network of intermodal terminals, including by dedicated freight rail. NSW Ports will fund Stage Two through an increase of $4.28 per TEU in wharfage fees on all full imports and full exports from 1 July 2025, which will be removed once the cost of the investment has been recovered.

Specialised vessel to tackle Australian offshore platform removals

Source: Allseas

Allseas has secured a groundbreaking contract for Australia's largest offshore decommissioning project, which will see the removal of up to 12 retired platforms from the Gippsland Basin. The contract, awarded by ExxonMobil subsidiary Esso Australia, involves the removal of structures with a combined weight of approximately 60,000 tonnes from the Bass Strait. The project will mark the first deployment of Allseas' flagship vessel *Pioneering Spirit* in Australian waters.

The *Pioneering Spirit*, the world's largest offshore construction vessel, has already broken multiple lifting records, including the removal of the 24,000-metric-ton Brent Delta platform in 2017. The vessel's capabilities have been further enhanced by a revolutionary Jacket Lift System (JLS) installed in 2022, featuring two 170-meter-long beams that can transport jackets in a near-vertical position.

The project is scheduled to commence in late 2027, with all structures – up to 12 topsides and up to 11 steel jackets, planned for removal during an intense 3 to 4-month campaign. Following removal, the structures will be transported to Barry Beach Marine Terminal in Victoria for dismantling and recycling. The new JLS system eliminates the need for support barges and sea-fastening during transit, resulting in reduced field time and a lower emissions footprint.

Shanghai passes 50 million TEU mark

The Port of Shanghai has become the first port in the world to handle over 50 million TEU (twenty-foot equivalent units) in annual container throughput. The new record extends Shanghai Ports' 14-year reign as the busiest port in container shipping and reflects China's growing influence in global trade. Shanghai Port's network spans 350 international routes connecting to over 700 ports across more than 200 countries and regions.

An official at Shanghai International Port (Group) Co. Ltd (SIPG), which oversees all public terminals in the Port of Shanghai, explained that the volume growth stems from both increased export containers and higher numbers of international transfers and ship-to-ship operations. The port's efficiency has also been improved through the use of technology, particularly with the 2017 launch of the Yangshan phase IV automated terminal, which increased efficiency by 30% while reducing workforce requirements.

In the future, the port will embrace green initiatives; in particular, partnering with Los Angeles and Hamburg ports to develop eco-friendly shipping corridors. SIPG energy manager Luo Wenbin revealed ambitious plans to transform Shanghai into a "green energy fuelling centre" with significant expansion in LNG and green methanol capacity by 2030.

International trade predictions for 2025

International trade showed resilience throughout 2024 but will continue to face uncertainty as we head into 2025. As markets prepare for US policy shifts, geopolitical tensions, supply chain disruptions and rising protectionism globally, may have serious impacts on several aspects of the international trade industry.

Extensive sanctions against Russia over the past few years, particularly in response to the Russian threat to Ukraine, have led to a number of disputes over the past year, including those related to non-performance, payment restrictions, force majeure claims and construction of sanctions clauses. Looking forward to 2025, we can expect Russia-related sanctions, as well as other UN and Australian sanction regimes, to continue to affect international trade, with an added element of unpredictability arising from the new Trump administration. As a result of this, thorough due diligence remains of particular importance to avoid breaching any sanction regimes as well as ensuring that sanctions, payment and force majeure clauses are all in place and well drafted.

In 2024, disruptions in the Red Sea and the Panama Canal resulted in increased costs and delays due to, amongst other things, operators being forced to use longer routes around the Cape of Good Hope, but global trade systems generally adapted well to these challenges. In 2025, geopolitical tensions and uncertainty will inevitably continue to affect supply chains. Of particular interest will be the effect of possible tariffs, with President Trump indicating an intention to impose tariffs of between 10 and 20% on all imports to the US and 60% on all imports from China. Australia managed to avoid the increase of new US tariffs in 2018 during the first Trump administration and will aim to do the same this time around, but it would be prudent to plan for potential disruption.

This geopolitical and economic uncertainty is likely lead to a higher risk of counterparty default and non-payment. Payment security will therefore remain an essential part of trading contracts, as will increased due-diligence and credit checks, coupled with dispute resolution clauses to improve the chance of enforcement in the event of counterparty default.

The adoption of electronic bills of lading and digitisation throughout the international trade industry is likely to continue to grow. In keeping with global contract digitisation trends, Australia is considering legislation that would give electronic transferable records the same legal status as traditional paper versions. The legislation would be based on the Model Law on Electronic Transferable Records developed by the UN. This will significantly impact the landscape of international trade and will hopefully lead to a reduced number of mis-delivery claims.

Despite the potential challenges facing international trade in 2025 and beyond, we know from experience, especially over the past few years, that the global trade industry is resilient and will rise to the challenges it faces. As ever, for those who are well prepared, challenges create opportunities.

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

PHMSA Issues new lithium battery transport guide

The US Pipeline and Hazardous Materials Safety Administration (PHMSA) has released a comprehensive guide for lithium battery shipping, addressing growing concerns about maritime transportation of electric vehicles and battery-powered goods. The guide, released on 21 November, 2024, outlines new regulatory requirements for shipping lithium cells and batteries across all transport modes, including vessel shipments. Shippers must now comply with both domestic regulations and the International Maritime Dangerous Goods (IMDG) code, depending on their shipment route.

Lithium-ion battery cell explosions are commonly caused by thermal runaway, a chemical reaction that can lead to the cell igniting and exploding. Thermal runaway can occur spontaneously if the battery is damaged, shorted, overheated, defective, or overcharged. The US Coast Guard has been particularly proactive in addressing these challenges. In September 2024, they conducted a two-day multi-agency exercise simulating an EV fire aboard the *Arc Integrity* at Georgia's Colonel's Island Terminal. This drill followed several high-profile vessel fires involving electric vehicles.

More details can be found here: **Transporting Lithium Batteries | PHMSA**

Transport and logistics industry scholarships

Women & Leadership Australia is offering scholarships to support women to access world-class leadership and workplace skill development programs, including:

- Balance Life & Learning: Flexible part-time delivery to fit with busy schedules.
- Essential Work Skills: Combines cutting-edge theory with practical application.
- Targeted Growth: Choose from 4 leadership and workplace skill development courses.

Partial scholarships ranging from $1,000 to $5,000 are available to support women at all levels, from those at entry-level up to senior executives. Apply by **Friday 28 March 2025**. Places are limited and applications will close once all scholarships are allocated.

To learn more and apply for a scholarship, please visit **www.wla.edu.au/industry/transport/**

Port of Newcastle handles first car carrier

Port of Newcastle has further diversified its trade offering with several car carriers discharging passenger and heavy vehicles at the Port over the Christmas and New Year period. The passenger vehicle imports follow approval from the Department of Agriculture, Fisheries and Forestry (DAFF) in October 2024 for Port of Newcastle as a first point of entry port.

In recent years, DAFF has tightened biosecurity requirements to protect Australia from foreign pests and contaminants. However, with a limited number of ports approved to import passenger vehicles (only one previously in NSW), consumers have experienced delays in receiving their orders due to quarantine requirements and supply chain delays.

Port of Newcastle Acting CEO Nick Livesey said the Port is responding to the needs of industry and consumers. “The Productivity Commission and National Freight and Supply Chain Strategy both highlight the need for improved supply chain resilience across our ports and freight supply chain, and we are responding to those needs,” Mr Livesey said. “In recent years, Port of Newcastle received calls from shipping lines globally requesting they unload vehicles in Newcastle due to extensive waits to access their proposed destination.”

The shipments received at Port of Newcastle over the Christmas and New Year period included over 2,500 passenger vehicles, along with parts and equipment for agricultural and mining equipment. Port of Newcastle will continue to invest in the infrastructure required to accommodate the automotive industry’s needs.

DP World reaches 100 million TEU capacity mark

DP World recently achieved a historic milestone, surpassing 100 million TEU of container handling capacity across its global portfolio since its inception 45 years ago. This has been achieved by over $11 billion in investments and infrastructure development over the last decade. Over this time, DP World’s capacity has grown 33%, driven primarily by expansions and new greenfield developments, as well as acquisitions.

The company’s global gross container-handling capacity rose by 5% in the last 12 months. The expansion cements DP World’s 9.2% share of the global container market. Sultan Ahmed bin Sulayem, Group Chairman and Chief Executive of DP World, said, “Crossing the 100 million TEU mark is a momentous milestone in our journey, which began 45 years ago. This achievement reflects our commitment to investing in world-class ports and logistics infrastructure to make trade flow. We are confident that the global container market will continue to grow in the years ahead and we will have the capacity to service it.”

Tiemen Meester, COO, Ports & Terminals, DP World, said, “Over the last 20 years we have invested in ports and terminals across the world, often in less traditional and underdeveloped trade markets, where our socio-economic impact has been significant. One of the major highlights of 2024 has been our takeover of the Dar es Salaam facility in Tanzania, which has not been developed since the 1950s, with vessel waiting times of sometimes more than a month. Our work there in the last six months has almost eradicated that issue and the future looks a lot brighter for Tanzanian trade.”

Updates from the Department of Agriculture, Fisheries and Forestry

BSMB seasonal reminder

Hitchhiker pests can arrive in Australia on aircraft or vessels, cargo and containers, crew and passenger baggage, and may be more common at particular times of the year. The brown marmorated stink bug (BMSB) is one such pest, which originates from Asia and has spread to North America and Europe in recent decades. Each BMSB season, the Department implements stringent controls to manage BMSB through mandatory offshore and onshore treatment requirements, together with random verification inspections on emerging risk countries and pathways to ensure risk settings are appropriate. In addition to these overt controls, the Department places BMSB traps in high-risk locations.

This season has seen a relatively higher number of BMSB found in the traps at some of these sites, with the Department undertaking appropriate response activities as a result. The Department is reminding industry to be extra vigilant when opening containers, and receiving and unpacking goods from BMSB target risk and native risk countries and to look for and report live BMSB and other pests found on cargo, on or inside containers and vessels. BMSB has the potential to significantly impact our agricultural industries, environment and social amenity. It is critical we detect and can respond to any incursions as quickly as possible. Further information on how you can help, what to look for, where to look and how to report please go to **https://www.agriculture.gov.au/biosecurity-trade/import/arrival/pests**

DCCC meeting

The Department of Agriculture, Fisheries and Forestry Cargo Consultative Committee (DCCC) brings together DAFF and industry representatives to address biosecurity issues impacting trade and logistics with the purpose of ensuring effective biosecurity regulation without unnecessary trade barriers.

The next DCCC meeting (#100) will be held in April with Peter van Duyn representing ICHCA Australia. If you have any issues you want brought to the meeting, please contact Peter.

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