DCN
DAILY CARGO NEWS
The voice of Australian shipping & maritime logistics

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From the editor

As I write this month's note container terminals in Sydney and Melbourne have been shutting down intermittently after employees return positive COVID-19 tests. So far, the shutdowns have been fairly short, most lasting no longer than a day.

The worst-case scenario of an Australian Yantian or Ningbo has been avoided with quick action, good planning and clear heads.

However, shutting down container terminals for half a day for cleaning and contact tracing every time there is a COVID case is not sustainable in the long run. It will be even more problematic as lockdowns in New South Wales and Victoria lift and the virus becomes endemic. Ports Australia has the right idea in calling for industry-government collaboration on plans for living with COVID. Planning is necessary to avoid the continuous shutting down of ports and container terminals.

Some of *DCN*'s coverage of the container terminal shutdowns can be read on pages 8-9.

This edition also features, on page 24, an in-depth look at bulk ports and trades around Australia, written by the estimable Dale Crisp.

We also have deep dives on maritime engineering and salvage (page 32); supply chain and logistics (page 40); and Victoria (page 50) – all this in addition to the usual columns and opinion pieces.

Happy reading.

Ian Ackerman
Editor, *Daily Cargo News*

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Daily Cargo News acknowledges the Cammeraygal people, the traditional custodians of the land on which this publication is produced. We pay our respects to their elders past and present. We extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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David Sexton; Blue Planet Studio


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News in brief

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DP World's Port Botany terminal shuts after COVID case emerges

Operations at DP World's Port Botany terminal ceased on 15 September after a case of COVID-19 was identified in the workforce.

"We are working closely with the Department of NSW Health to identify any close or casual contacts to ensure the safety of our employees and the community," a statement from DPWA said.

"We are continuing to work on minimising delays for our customers and the supply chain, and the loading and discharging of containers continues. While there are impacts across the next couple days, we anticipate being able to continue our operations."

A statement to customers earlier in the day said, "All terminal operations during this time are impacted".

The terminal was up and running the next day.

DP World Australia CEO Andrew Adam told *DCN* that while some time was lost as a result of the employee's positive COVID test, operations resumed as normal.

"I'm pleased to say we've been able to resume road operations and we're continuing to work the vessels," he said.

"There have been some disruptions to services, but we're back on track and we expect this to continue going forward."

A spokesperson for South Eastern Sydney Local Health District told *DCN* the district's public health unit had completed an assessment of COVID-19 risk at the terminal.

"Close contacts of the worker have been identified and will isolate for 14 days since their exposure. Other staff may continue to work provided they do not have any symptoms of COVID-19," the spokesperson said.

Mr Adam said as a result of the employee who returned a positive COVID test, 99 employees and contractors were deemed either close contacts or casual contacts.

DP WORLD MANDATES COVID-19 VACCINES FOR ALL STAFF AFTER COVID CASE IN THE WORKFORCE

DP World Australia mandated that all staff receive a first dose of a COVID-19 vaccination by 15 October and receive a second dose by 15 November.

The company said it strongly supports COVID-19 vaccination and, consistent with the Australian government's advice, this will enable a move towards living with COVID-19.

"As a tier 1 employer, with essential workers interacting with vessel crews at ports of entry, our employees and their families have been eligible for priority access to vaccinations since March 2021," the company said.

"DP World Australia has been reviewing our risk controls to ensure the ongoing safety of employees and maintaining operational continuity to keep vital supplies moving across the Australian supply chain."

The recent positive COVID-19 case at DPWA's Port Botany terminal had a significant impact on operations, the stevedore said.

"We have a comprehensive COVID safety management plan in place. We have further made the decision to make COVID-19 vaccination for all employees and contractors a condition of engagement. Employees will need to ensure they have received their first dose by 15 October 2021 and a second dose by no later than 15 November 2021," the company said.

"We have commenced consultation with our workforce and our health and safety representatives to discuss the details of the policy and rollout."

DPWA CEO Andrew Adam said as a critical part of the Australian supply chain, the company needs to ensure the ongoing safety of employees and maintaining business continuity of import and export cargo.

"We will always continue to ensure the health and safety of our workforce and by taking this step we ensure we are taking all reasonable steps to create a safe workplace for all."

MUA assistant national secretary Adrian Evans said DP World Australia's vaccine mandate was a "kneejerk reaction" that will create unnecessary angst in the workplace.

"It is outrageous that DP World chose to mandate COVID vaccinations for its workforce without consulting its employees or their union," he said.

"To be clear, we encourage our members to get vaccinated and we accept the expert health advice, but we don't accept DP World's HR managers taking a decision to mandate vaccination without consultation. There are much better ways to work though this pandemic with the workforce."


Hutchison's Port Botany terminal

Hutchison's Sydney terminal shuts down after COVID cases

Hutchison Ports Australia's Sydney terminal became the second container terminal at Port Botany in less than a week to close after the detection of COVID-19 cases.

A spokesperson for NSW Health South Eastern Sydney Local Health District's Public Health Unit told *DCN* they are aware of four confirmed cases of COVID-19 amongst the workers of Hutchison Ports, Port Botany. *DCN* understands two of these cases did not attend work.

"These cases were reported to the PHU between 14 and 19 September 2021," the spokesperson said.

"The PHU is working with Hutchison Ports to identify workplace contacts of these cases."

HPA confirmed to *DCN* that operations were disrupted on 18 September. The company carried out a deep clean of its Sydney terminal at Port Botany after several of its workforce reported positive COVID-19 tests.

A spokesperson for HPA said, "After being informed of the situation, HPA made an immediate decision to close the terminal on Saturday and perform a deep clean of the workplace".

"The company has been performing contact-tracing assessments of all staff while in contact with the NSW Department of Health. It has resumed operations with unaffected staff while continue to assess and monitor the situation."

HPA said it is working with NSW Health to perform contact tracing to determine casual contacts of the infected employees.

VICT CLOSES AFTER COVID CASE DETECTED

Victoria International Container shut down on 20 September after a COVID-19 case was detected.

In a notice to customers, the terminal said it is working with the Victorian Department of Health and Human Services to determine who is a contact of the case.

VICT advised trucks already inside the terminal to leave without completing their transactions.

The terminal shut down at 1600 for a deep clean, which was completed at 2300. Quayside operations resumed just before midnight and landside operations commenced at 0100.

At the time of writing, the company was working closely with the Victoria Department of Health and Human Services to identify contacts of the case.

AMSA DETAINS CONTAINERSHIP AT PORT BOTANY

The containership *Thorstar* was detained early last month at Port Botany and was taken to White Bay in Sydney to undergo repairs.

A spokesperson for the Australian Maritime Safety Authority confirmed to *DCN* that the Liberian-flagged ship had been detained on 2 September.

"The vessel was detained for defective cargo securing arrangements and failure of the vessel's safety management system to ensure the effective maintenance of the ship and its equipment," the spokesperson said.

"AMSA has permitted the ship to relocate to White Bay in Port Jackson, NSW, where it will remain under detention while the necessary repairs are carried out.

"AMSA takes a zero-tolerance approach to sub-standard ships operating in Australian waters and will continue to work with the operators of *Thorstar* to address the identified defects."

Thorstar is a 2826-TEU containership, built in 2003. The vessel is on the TS Lines' China-Australia II (CA2) service. According to the published schedule for the vessel, it was due to be in Melbourne on 4 September.

The Maritime Union of Australia said union officials had inspected the vessel on arrival at Port Botany and reported to AMSA.

The union said the inspection revealed extensive corrosion and problems with the condition of deck fittings, lashing lugs and lifting points for lids, among other many other major safety issues.

The MUA told *DCN* a marine survey confirmed a raft of safety problems with the vessel.

Once it has been made safe, *Thorstar* is to return to Port Botany where unloading will begin before further work can commence on the deck.

MUA assistant secretary Sydney branch Brad Dunn said the union will always take action on safety and welfare grounds whenever a ship arrives in Australian waters in a poor condition.

"Flags of convenience vessels are a major problem for seafarers and waterside workers around the world and shipowners should be on notice that the MUA takes safety seriously," Mr Dunn said.

"The MUA will make certain that AMSA is involved whenever risks to stevedores, seafarers and the Australian environment are presented by any ship of shame."


Containership *Thorstar* pictured at Fremantle

Auriga expands pilotage operations to Geelong

Marine pilotage services provider Auriga Group commenced pilotage services at the Port of Geelong on 1 September.

Geelong is the 15th port/route in Auriga's Australian network and the group's second in Victoria after the Port of Melbourne, where the company commenced pilotage operations in 2017.

Auriga Group managing director Trent Lonsdale said now that the group has demonstrated capability in servicing the Port of Melbourne, the time is right for a "staged and managed entry" into Geelong.

"This port has been on our radar for several years, and our entry into this market has primarily been driven by customer demand for competitive, safe pilotage services at sustainable rates," he said.

"Like our entry into the Port of Melbourne pilotage market, our entry into the Port of Geelong will be well managed, risk assessed, and measured, taking into account all of the well-established Maritime Safety Victoria regulatory training standards and industry best practice."

Auriga said its pilots team based in Victoria is on track to employ 24 staff by Christmas, including 10 marine pilots operating on the water in Melbourne and Geelong.

The company said it adheres to an extensive training program, which takes just on four years to safely complete, regardless of previous pilotage experience gained in other ports.

This, the group said, ensures that its marine pilots have an in-depth knowledge of all the various local port risks and controls, and it ensures they are absolute subject-matter experts in the complex ports in which they operate.

In August, Auriga Group – which incorporates Australian Reef Pilots, Australian Pilotage Group and others – partnered with Brisbane Marine Pilots. And, in April, the company increased its Mackay-based pilot and helicopter operations to support expansion of pilotage services in Hydrographers Passage.

Later in September, Auriga affiliate, Aviator Group, introduced a new Bell 429 helicopter to support Auriga's pilotage operations in Hydrographers Passage.

Aviator Group has introduced the twin-engine Bell 429 to supplement its existing fleet of two AgustaWestland A109 helicopters in transferring marine pilots between their base at Mackay Airport and Blossom Banks, 110 nautical miles offshore.

Aviator Group chief operating officer Keith Thompson said the Bell 429 is a robust and trusted aircraft used for a wide range of all-weather missions.

"It offers the payload range capability and performance necessary to provide safe, efficient, and reliable transfers for these demanding services," Mr Thompson said.

"Aviator is proud to provide air transportation services to the marine pilots who keep this vital shipping lane flowing and our waterways free from environmental harm. We are committed to ensuring the safety of the marine pilots we carry, and the flight crew who operate the aircraft in a such a dynamic operational environment. The B429 will strengthen our ability to deliver on this important objective".


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Maersk Surabaya at Fremantle in 2020

Maersk Surabaya captain arrested, charged for allegedly damaging subsea cable

The Australian Federal Police has charged the 59-year-old master of the 8400-TEU containership *Maersk Surabaya* after the ship allegedly dragged its anchor, damaging the Australia Singapore Cable, causing $1.5 million in damage.

A section of the subsea communications cable in the Perth Submarine Cable Protection Zone, about 10 kilometres offshore from City Beach, was disabled on 1 August. On 3 August, allegations were made that a passing vessel had damaged the cable.

An investigation by AFP officers in WA and Victoria has resulted in the arrest of the Ukrainian national.

Police said *Maersk Surabaya* had been anchored about 500 metres from the protection zone and dragged its anchor through the area in high winds, snagging and damaging the 20-metre-deep cable.

The master was charged on 11 August after AFP investigators searched the vessel when it docked in Melbourne and seized ship logs.

The man appeared by video-link in Melbourne Magistrates Court on 11 August for "engaging in negligent conduct as the Master of a maritime vessel, which resulted in damage to the Australian Singapore Cable, contrary to section 37 of schedule 3A of the *Telecommunications Act 1997*".

The offence carries a potential maximum penalty of three years' imprisonment and a $40,000 fine, according to the AFP, which said it believes this is its first prosecution for the alleged offence.

The man was granted bail with strict conditions and is currently in COVID hotel quarantine.

AFP Detective Superintendent Graeme Marshall said damage to a subsea cable can have serious financial consequences for both the cable operator and for customers who experience reduced connectivity and data access.

"The protection zone is clearly marked on maritime charts and all vessel masters should ensure vessels operate in a manner which does not interfere with critical communications infrastructure," Detective Superintendent Marshall said.

RAN AWARDS TOWAGE CONTRACT TO SVITZER

The Royal Australian Navy has awarded Svitzer Australia a long-term contract for towage services commencing from 1 October.

As the winner of the Defence Marine Support Services Package 3 tender, Svitzer will provide towage services for Australia's naval fleet, the management of Navy towage assets and the development of naval personnel training in major ports around Australia.

Svitzer said it would continue to support Australian and local maritime industries and jobs as part of this contract.

Svitzer Australia managing director Nicolaj Noes said, "We are honoured to be chosen as the trusted partner to provide essential towage services to the RAN as they undertake their vital duty to serve Australia at sea.

"With our network of ports around Australia, fleet capability and experienced crews, we are well placed to provide a safe, reliable and efficient service for the Navy's operational and strategic needs."

Mr Noes said commitment to safety is a core value at Svitzer and it will underpin the delivery of towage capability for defence.

"We look forward to fostering a strong working relationship with defence and to providing round-the-clock, responsive support to Navy vessels and personnel as they call at ports around Australia," Mr Noes said.

"Being part of the local community is central to Svitzer Australia's role in the ports we operate in, and we look forward to servicing the Navy and investing in our local communities now and into the future."

Mr Noes said, "As part of our contract, we are committed to providing strong and continued support to our local communities with a focus on Indigenous engagement, leveraging our local supplier network and partnering with defence to provide employment opportunities, enriching the Svitzer workforce and enhancing industry capability.

"By tapping into Svitzer's global experience and local presence, we are well-positioned to deliver navigation and personnel training, which will develop the capabilities of Navy personnel and provide potential employment opportunities for veterans."

Vic government moving to a “stewardship role” for ports

The Victorian government announced it supports all 63 recommendations handed down in the Independent Review of the Victorian Ports System.

The Independent review of the Victorian Ports System was the first holistic review since 2001. And since then, the sector has undergone major changes, including the introduction of a third stevedore at the Port of Melbourne in 2015, and the leasing of that port in 2016.

In a full response to the review released last week, the government said it provides a roadmap for a “once-in-a-generation reform opportunity”.

The government said it was progressing to a “stewardship role” for the ports system – supporting recent privatisation processes with policy oversight and tools to safeguard and preserve key port operations.

Victoria minister for ports and freight Melissa Horne said commercial ports across Victoria support around $26 billion in locally produced and manufactured exports – handling almost a quarter of Australia’s total food and fibre exports.

“Victorian ports are our gateway to international markets, and with freight volumes expected to more than double over the next three decades, we must have the right infrastructure and policies in place to support Victoria’s growing economy,” she said.

“We have already started making key recommendations from the review a reality – including establishing the new Geelong-based organisation, Ports Victoria.”

The review, submitted to the government in November 2020, found that since 1995, the commercial ports’ governance arrangements have gone from being highly centralised to being governed now by nine agencies.

“This fragmentation has impacted the state’s ability to plan and co-ordinate its responsibilities in providing safe, efficient and effective functioning of the ports system,” the authors wrote.

Also, according to the report, the current arrangements for the regulation of navigational safety in the ports system were needlessly complex and inconsistent across different ports. This relates to harbour masters’ roles, as well as pilotage and towage services.

The report said this lack of clarity about roles and accountability could undermine safe port operations and poses significant reputational risk to the state government.

In response to this, there will be legislative reforms to ensure safety roles are reliable and consistently applied across commercial ports. The new legislation will include making Ports Victoria responsible for overseeing the accountability of harbour masters across the state.

ATSB COMMISSIONER JOINS AMS GROUP BOARD

Gary Prosser has joined the Poseidon Sea Pilots parent company AMS Group board as a non-executive director.

Mr Prosser has a maritime career spanning more than 40 years.

He is currently a commissioner with the Australian Transport Safety Bureau, a role he took up in 2019. Prior to that, Mr Prosser was AMSA’s deputy CEO.

He spent five years in Paris as Secretary General of the International Association of Marine Aids to Navigation and Lighthouse Authorities.

Mr Prosser has several accolades to his name, including the Peter Morris Award for Services to the Australian Maritime Industry and the medal of Saint Germain-En-Laye.

A statement from AMS Group said, “With a strong management and safety background, Gary’s maritime and governance experience will ensure AMS Group continues to steer the optimal course during a period of growth and technological advancements”.

COVID-positive crew off Newcastle demonstrates urgency of seafarer vaccination

Twenty-one seafarers onboard a ship anchored off the coast of Newcastle are receiving support from health and maritime authorities after 11 crewmembers tested positive for COVID-19 in mid-September.

Bulk carrier MV *Spirit of Ho-Ping* departed the Philippines on 16 August but had not docked in Australia. *DCN* understands one crew member was vaccinated.

A NSW Health spokesperson told *DCN* there had been no increases in COVID-19 case numbers as of 16 September, and none of the crew required medical transfer from the vessel.

"Yesterday, a highly-trained retrieval medicine specialist boarded the ship by helicopter and assessed all of the 21 crew on board, including the 11 people known to be confirmed cases of COVID-19," the spokesperson said.

A spokesperson for AMSA said the collaborative effort between their organisation and health authorities would help secure the safety of the seafarers.

"New South Wales health authorities are currently managing a COVID-19 situation onboard the Panama-flagged *Spirit of Ho-Ping*," they said.

"AMSA is working closely with the relevant New South Wales authorities to ensure the health and safety of the 21 crew members."

With relevant departments responding to the outbreak, NSW International Transport Workers' Federation inspector Dan Crumlin told *DCN* further tests should soon determine whether the seafarers are infectious.

"If the serology tests find crew are in the infectious period, the vessel should be as close as possible to medical support, preferably alongside in port or at a safe anchorage, as their condition could deteriorate rapidly," Mr Crumlin said.

A spokesperson for Ports Australia told *DCN* crew welfare is at the centre of the operation. "First and foremost, we must prioritise the wellbeing of the seafarers aboard the *Spirit of Ho-Ping*," they said.

"That means monitoring the conditions of crew members, reserving the ability to treat them onboard or ashore if necessary, and ensuring the vessel has the provisions and monitoring equipment they need."

Ports Australia said the situation on the *Spirit of Ho-Ping* highlights the importance of vaccinating seafarers.

"The nature of a seafarer's work exposes them to parts of the world currently overwhelmed by the virus, meaning we will continue to have vessels turning up at Australian ports with COVID-19 cases on board, and the *Spirit of Ho-Ping* is another example proving that," they said.

"Ports Australia believes all levels of government have a role to play in raising the vaccination rates of international seafarers who service our nation to protect their health and wellbeing and that of our ability to move goods across our borders."

According to ITF's Mr Crumlin, the situation is an opportunity for NSW authorities to implement practices exemplified by other states to secure the best possible outcome for the crew of the *Spirit of Ho-Ping* and other seafarers impacted by COVID-19.

"NSW Health should continue to work with all parties and ensure the crew's welfare is at the forefront of decision making with a clear direction around testing, treating and vaccinating international seafarers, adopting world's best practices similar to those announced in Queensland a week or two ago," he said.

Mr Crumlin said the magnitude of the work and challenges faced by seafarers during the pandemic warrants their recognition as essential workers.

"Frontline workers have been the heroes of this pandemic, and none more so than the international seafarers who carry 98% of Australian trade by sea.

"They have been stuck onboard for long periods of time, away from their families, no shore leave, and limited communications to talk to loved ones.

"Seafarers should be recognised as key workers and there should be a co-ordinated state and federal strategy for access to all seafarers to receive vaccinations when they visit port."

The breadth of the conversation surrounding situation onboard the *Spirit of Ho-Ping* indicates there are still shortcomings in the wider understanding of seafarers' current circumstances and the willingness to respond.

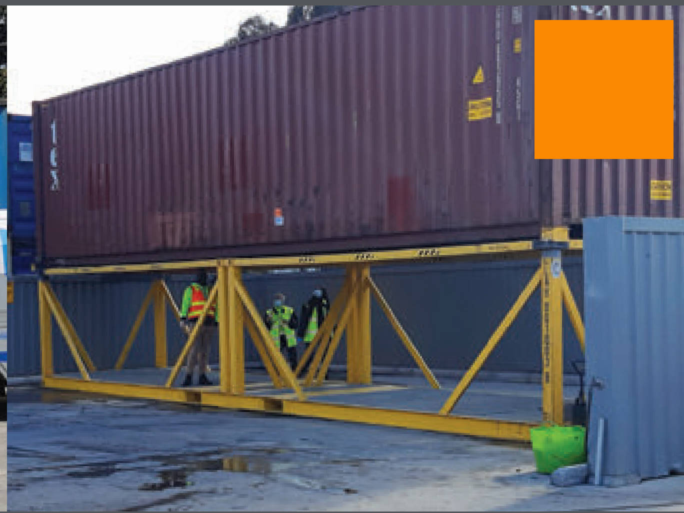
Mission to Seafarers Newcastle chaplain Matthew Couch said maritime welfare organisations are working to promote wider recognition of these challenges, particularly as the current situation off the cost of New South Wales echoes another incident which occurred earlier in the year.

He said MTS had facilitated the vaccination of seafarers from *Inge Kosan*, the ship that in April lost one of its crew members, whose body washed up on a beach in Vanuatu.

"The ship had 13 crew, it lost one at sea, and 11 of the remaining 12 were infected in April," Mr Couch said.

"This is a case study of how that all happened but wouldn't have happened if we were vaccinating seafarers last year, rather than now."

New Africa



Teekay signs new contract with Department of Defence

Teekay Corporation has entered into a contract with the Australian Government Department of Defence to provide marine services for five vessels through the Defence Marine Support Services Program (DMSSP).

The contract is for six years with options to extend for up to an additional 10 years.

Under the contract, which is expected to commence in November 2021, Teekay will provide ship management services, including crewing and training, operating, engineering, maintenance, and supply support.

This new contract, DMSSP Service Package 2, will include two of the defence vessels Teekay currently manages (MV *Sycamore* and ADV *Ocean Protector*), and three other vessels currently under an existing fleet marine service contract: MV *Stoker*, MV *Besant* and MV *Seahorse Mercator*.

The company said it would continue to employ hundreds of Australian seafarers through the new contract. It said it would prioritise support of Australian industry though engagement of Australian subcontractors and vendors.

Teekay president and CEO Kenneth Hvid said, "This is another example of how we can generate value from the Teekay franchise and allows us to expand our asset-lite services segment".

"This contract further builds on our strategic relationship with the Australian government, where we will now provide services for a total of nine Australian government vessels, and it provides a solid foundation from which to further grow this business."

Teekay manages MV *Sycamore* for the Department of Defence

Concept image of SeaRoad's new vessel

SEAROAD SIGNS CONTRACT FOR NEW $162-MILLION VESSEL

SeaRoad has finalised an agreement with German shipbuilder Flensburger Schiffbau-Gesellschaft to build a new ro-ro vessel for €100 million ($162 million).

The new 210-metre-long ship will be able to run on LNG. It will join *Searoad Mersey II* and replace MV *Liekut* on the Bass Strait trade between Melbourne and Devonport.

The vessel is scheduled to be complete in the last quarter of 2023. Construction is due to start later this year.

It will have a capacity of 4227 lane metres and capability to transport heavy cargo with a unit weight of up to 100 tonnes.

SeaRoad executive chairman Chas Kelly said at more than 40,000 tonnes gross, the new ship will be the largest freight vessel in SeaRoad's history.

"We've been very pleased with how our two current FSG-built vessels have performed from both an efficiency and operational perspective. We look forward to continuing our successful relationship with the German shipyard and their experienced staff," Mr Kelly said.

FSG CEO Philipp Maracke said the company was proud to have brought the business to Flensburg.

"This order by a long-standing customer equals an important vote of confidence in both this new model, as well as our established expertise as an innovative German newbuilding yard," he said.

"Our aim is to combine superior quality and superior life-cycle value. With this new vessel, FSG and SeaRoad will make an important contribution to sustainable shipping."

Additionally, SeaRoad has invested significantly in infrastructure and equipment in both Devonport and Melbourne over the past 18 months, according to Mr Kelly.

"We've invested more than $5 million in equipment to complement terminal activities, purchasing new heavy forklifts, terminal tractors, A-double trailer sets, side loaders, related prime movers and our fleet of rigid trucks," he said.

"We have also begun a $6 million investment in new technology to streamline and automate our systems and processes. Meanwhile, TasPorts' East Devonport Port Master Plan will provide the space required for our new vessel."

INDUSTRY EVENTS

2022	EVENT	
28-29 Jan	International Conference on Advances in Marine Engineering & Technology	Australian Museum, Sydney
17 Feb	DCN Australian Shipping & Maritime Industry Awards	Four Seasons Hotel, Sydney
22-23 Feb	Australian Peak Shippers Association Conference	TBA, Wagga Wagga
20 May	IFCBAA National Conference	Surfers Paradise JW Marriot Resort & Spa, Gold Coast

To notify DCN of events please email us at editorial@paragonmedia.com.au

Teekay; SeaRoad

Supply chain vulnerability: an Australian analysis

Teresa Lloyd provides an overview the shipping-relevant parts of the Productivity Commission's report on its study of vulnerable supply chains and what will hopefully be the start of more conversations with the government on the issues

RECENTLY, THE PRODUCTIVITY Commission handed down its report on vulnerable supply chains in Australia.

Eyebrows were raised in several quarters at the outcomes, with their nothing-to-see-here findings across the board (covering commodities such as fuel, medicines, chemicals, etc). One could even go so far as to say it is a serious case of boiling frog effect; it's all okay until it's not, and then it's too late.

At the outset, it is key to note that the analysis conducted in this report is against a very high bar: a "vital-to-survival" scenario. That is a far cry from the supply-chain issue dominating contemporary discussion which is more aligned to, "will my plastic toy from China arrive in time for Christmas?"

There is, of course, a more serious side to our current, and immediately past, supply chain challenges. There were times when PPE and other essential, life-saving products were at risk. The fact that the risk didn't eventuate does not mean that the risk was any less real or that it could not equally have gone the other way.

THE PLIGHT OF THE SEAFARER

The report considers that our supply lines held up well and showed resilience during the pandemic. With that front of mind, let me remind the reader of this: during this pandemic we have seen seafarers treated in a manner unknown in modern times. Many were forced to work up to 20 months at a time. They are being denied any kind of shore leave and many are being denied medical and dental care.

Some seafarers have been unable to be repatriated to their home countries for nearly two years.

The resilience of our seaborne supply chains is as strong as our preparedness to push the poor unfortunate few who crew the ships that trade to Australia to the absolute limits of what is acceptable – indeed, well beyond those limits. Forced labour holds new meaning during the pandemic.

But that doesn't matter to the analysis within this report – ships keep arriving to bring us what we need, we needn't bother at the human cost. Far more to our peril is how close those ships came to stopping entirely when the workforce was pushed too far and threatened to stop work *en masse*.

WHAT THE REPORT LEAVES OUT

Pandemic impacts aside, the analysis in the report contains several gaps in logic.

While the report completely ignores the vulnerabilities inherent in total reliance on foreign entities to provide our seaborn trade, it does discuss diversification as a beneficial risk management strategy. This is precisely what we are calling for: diversification of our shipping capability to include some Australian content.

The report calls up the issue of cognitive and behavioural biases noting that, "During a long period of relative stability, the perceived probability of disruptions declines. This can lead to firms under-investing in risk management strategies."

Cognitive bias is precisely what we are dealing with when the risk in the lack of control over shipping is dismissed out of hand.

The report notes that effective risk management involves purchasing the right amount and type of insurance. Australia has no insurance policy whatsoever in terms of shipping capability.

In several places the report notes that further discussions with experts are required. We concur.

GOVERNMENT INVOLVEMENT

The report suggests government involvement in any way is a substandard solution (if there is a problem, which they don't believe there is). Yet, the report says business does not have the ability to accurately assess some external risks, such as geopolitical risks.

It is not difficult to find examples where government has concluded their involvement in other areas goes beyond the narrow focus of economics and into areas of ensuring security (including economic but also national security) for the population.

The Naval Shipbuilding Plan is an example. The government is investing in an environment that allows industry to perform better – they do this by:

- committing to an outcome, defining a need for continuous ships to be supplied to the Navy; rather than stop/start policies of the past which provide no certainty to industry and hence little substantial investment by industry;
- investing in modern infrastructure such as digital shipyards to improve efficiencies in manufacture; and
- improving educational policies to assist in delivering the right people to industry to meet future needs.

This is not about government intervention to remove competition from the market; quite the opposite. All of this is designed to boost productivity in a critical sector by providing sovereign capability and national resilience.

The report concludes with the following analysis of proposals for government to take direct action to secure maritime supply lines:

Those who applaud the outcomes of this report would do well to consider that they live here too. Their lives will be impacted if proper, meaningful supply chain resilience is not established.

The last set of policies governments could consider is directly investing in risk management by subsidising capacity across Australia's maritime shipping and ports services. ... While these policies would directly increase long-term redundancy in maritime shipping and ports capacity, they are also likely to be significantly costlier than other policy levers. As such, they are likely to be the most distortionary to private sector investment in risk management.

For example, a domestic national fleet could discourage carriers from entering the market, and would likely encourage rent-seeking behaviour (such as pressure to provide ongoing financial support or protection from competition).

Whatever the policy lever selected, to ensure government intervention is effective, governments need to demonstrate that the expected benefits of government investing in mitigating private sector supply chain risks outweigh the expected costs. And also that the intervention is the best solution to the identified problem.

The commission held no discussions with Australian shipowner/operators or their representatives to educate themselves on the proposal for a strategic fleet – how it would work, what is necessary to make it work or what it will cost.

It is simply not possible to give any credibility to this final assertion when there was no discussion or deliberation with those directly involved with the policy concept. Further, the other policy levers they mention are not outlined – what are they?

The light at the end of this is that the government has established an Office of Supply Chain Resilience to monitor vulnerabilities and co-ordinate whole-of-government responses to ensure access to essential goods.

While we assume they'll use the Productivity Commission report as a starting point, we hope that there is room for a lot more discussion with experts. Also, that they might consider what the Australian public considers to be an acceptable bar, something well below "vital to survive", we suggest.

Those who applaud the outcomes of this report would do well to consider that they live here too. Their lives will be impacted if proper, meaningful supply chain resilience is not established. We may not agree on the size of the gap but surely, we can all agree there is a gap.

MIAL has outlined a roadmap for the establishment of a strategic fleet to supplement and kick-start an Australia-domiciled maritime capability able to compete internationally and provide security to Australia.

We look forward to working through the details with those that share our vision for the Australia we want to live in. ■

Teresa Lloyd,
CEO, Martitime Industry Australia Limited

Image supplied

Regional producers facing escalating logistics costs

Freight and Trade Alliance and the Australian Peak Shippers Association conducted a study on containerised grain exports. **Paul Zalai** outlines its findings

FREIGHT & TRADE ALLIANCE and the Australian Peak Shippers Association recently conducted a focused case study examining the financial impacts of the current shipping crisis on high volume/low value grain exporters from regional New South Wales.

The study found several significant issues in the supply chain. But, despite the adversity faced by exporters, the Australian containerised grain sector has continued to survive this season, primarily due to a low-production season in the Northern Hemisphere.

Asian buyers have little choice today than to buy from the Australian market as there are limited offers in the world. What is highly concerning is the ongoing viability of the Australian containerised grain sector if/when the world sees a normalised production season.

The sector cannot afford to maintain these inflated supply chain costs.

SCHEDULE DELAYS/CANCELLATIONS

A lack of vessel capacity and equipment limits exporters' ability to make bookings with any certainty. Exporters that make bookings face vessel rerouting, cancellations and port omissions. These cause significant delays to existing booked shipments.

Failure to meet contractual obligations can cost exporters. They can be subject to hefty fines from customers for late shipping. Three members collectively paid more than US$117,000 in contract breaches in the past three months alone.

Due to the lack of capacity, exporters physically have not moved as many tonnes this year as anticipated. This has caused an even bigger carry over of grain stockpile heading into another bumper harvest. Packers and transporters have consolidated to reduce risk and exposure to the volatility of the shipping industry. The reduced incentive to move grain is likely to cause bottlenecks for the upcoming harvest, leaving farmers potentially limited options to unload produce.

LACK OF CAPACITY

Shipping lines are understandably aiming for the best financial return on their assets. The use of an export grain container by one company for sometimes weeks is increasingly unattractive.

We are seeing shipping lines make decisions to reposition empty containers back to China for use on more attractive trade lanes (China-US, for example, at about US$15,000 per container) placing extra pressure on equipment capacity.

Export shipping rates are now at record highs and space is extremely difficult to secure. To put this in perspective, several grain exporters over the past 12 months collectively have been impacted by an estimated additional cost of US$37.5 million resulting in diminished financial returns to farmers and regional communities that are still recovering from years of drought, fire and the pandemic, only to face another economic crisis.

LANDSIDE LOGISTICS

Grain exports commonly travel to the port in containers on rail. The above referenced items only add to the inability to secure a train booking with any certainty that the vessel booked will match with the train arrival at the port. Failure to do so incurs excessive double handling costs.

Trains often operate on a take-or-pay method, meaning you either use the slot or pay for it anyway, even if the slot remains empty. The decision for exporters then becomes whether to double handle the container in Botany and pay for storage for the week or pay for the empty train slot and rail it again the following week. Between three exporters, data revealed more than $2 million in double handling and staging costs was paid over a three-month period.

INDUSTRIAL DISPUTES/STEVEDORES

Stevedoring performance and industrial relations negotiations, which have impacted most stevedores nationwide over the past 12 months, have had a profound impact on exporters and landside logistics costs.

In July 2021, the Maritime Union of Australia took protected industrial action at Patrick Terminals in Port Botany resulting in the stevedore closing most rail windows for regional NSW customers. This in turn forced freight to be double handled through third-party Sydney intermodal terminals. The containers were being delivered to the port by road. This type of congestion and uncertainty has caused shipping lines to revaluate Sydney and how they price and offer available equipment and space. Some shipping lines are omitting Sydney with multiple vessels a month. Between four exporters, a reported $495,000 was paid in double handling and staging costs over a three-week period.

The sector cannot afford to maintain these inflated supply chain costs and compete against Australian bulk shippers or Northern Hemisphere grain origin offers.

Paul Zalai, director, F&TA; secretariat, APSA; director, GSF

Jim Wilson

The new future-focused SCLAA

Sue Tomic presents the new positioning of the foremost association for supply chain and logistics professionals

AS AN INDUSTRY ASSOCIATION, like most businesses, it is sometimes necessary to take stock of the purpose for your existence.

The Supply Chain & Logistics Association of Australia (SCLAA) has served the industry in Australia for more than 50 years in various forms, with the continuing mission to serve and advance the interests of its professionals and practitioners.

We are proud of our un-matched experience, history and the strong industry relationships that have been built throughout the last five decades of SCLAA's operation.

We believe it is now time to look toward the future with fresh eyes and leverage our vast experience to pave the way forward for our industry. We are firmly committed to bringing innovation, forward-thinking, connection and advancement to our members and partners, and the Australian supply chain and logistics industry as a whole.

With our renewed focus and plan for the future of SCLAA, we are excited to introduce a new positioning and re-imagined brand identity to align with our values and goals.

SCLAA'S NEW POSITIONING

The SCLAA combines decades of experience with industry-leading professional development and education programs, networking events, corporate partnerships, and support for its members and partners.

Our strategic purpose is to connect today's supply chain professionals and partners to tomorrow's growth opportunities and to support the advancement of our industry by championing collaboration, innovation, and success.

Our new logo design represents "A Pathway to Success". This new icon speaks to SCLAA's ability to cut through the noise and provide new opportunities for its members, with the values of interconnectedness and people at its core.

WHAT DOES THIS MEAN FOR OUR MEMBERS AND PARTNERS?

We are committed to improving SCLAA's offering over the next three years, and are investing in creating more value for members and national partners by delivering on the following key objectives:

1. Advancing individuals with professional development
2. Building connections through our platforms, networking and events
3. Increasing value and support for members and partners
4. Championing and showcasing industry excellence

These objectives will make up our strategic framework from which all communications, events, and projects that the association undertakes will be aligned with whilst we roll out our new, future-focused brand identity.

WHY PARTNER WITH SCLAA?

Partnering with SCLAA provides you with access to the largest, purpose driven community of supply chain professionals in the country.

We invite you to be a part of the SCLAA as we continue to navigate the changing industry landscape locally and globally. ■

Sue Tomic, interim chair, Supply Chain & Logistics Association of Australia

THE GOALS OF SCLAA

1 Advancing individuals with professional development

- Accelerate training, education and development opportunities for all members.
- Forge partnerships with universities, TAFEs, and other educational institutions to provide training and clear career pathways.
- Showcase multi-sector training opportunities including workshops, seminars and short courses, with industry leading specialists.
- Refine our mentoring program with improved standards and guidelines for mentorship engagement.

2 Building connections through our platforms, networking and events

- Develop a comprehensive and co-ordinated annual calendar of events tailored to meet the needs of all membership levels across both live and digital mediums.
- Encourage collaboration, ensure a variety of industry topics, innovation trends and highlight local and global industry issues through both state and national events.
- Implement a partner directory to highlight key corporate partners and promote industry innovation.

3 Increasing value and support for members and partners

- Increase value and benefits for members and partners and improve the overall member experience.
- Build the reputation and profile of the SCLAA, expand the reach of the association, and build a stronger network.
- Engage key industry thought leaders for member events and education.
- Ensure our education and training materials are ahead of the curve providing innovative and best practice processes to supply chain and logistics professionals.

4 Championing and showcasing industry excellence

- Provide relevant and timely industry news to keep our members up to date and honour our commitment of being the go-to industry body in Australia.
- Acknowledge outstanding industry achievements through the annual Australian Supply Chain and Logistics Awards (www.ascla.com.au).

THE NEVER-ENDING STORY

With key government agencies forecasting record production, prices and demand for resources, energy and agricultural commodities, the outlook for Australia's bulk trades and ports has rarely been better. **Dale Crisp** reports

According to *Australian Sea Freight 2018-19,* issued by The Bureau of Infrastructure and Transport Research Economics in July this year, Australia's international sea freight commodity exports reached almost 1.5 billion tonnes in 2018-19, comprising 966.6 million tonnes of dry bulks and around 484 million tonnes of liquid bulks. Imports accounted for 5.1 million tonnes and 54 million tonnes respectively.

Bulk business is big business for ports right around the country.

But not everything moves through the headline generators in Western Australia, Queensland, South Australia and New South Wales.

Last year's review looked at some of the innovative work done by Brisbane's Sea Transport Solutions (STS) in designing, building and often co-investing in special-purpose supply chain answers for bulk projects where physical access requires, or economic circumstances can only justify, shallow-draught transhipment operations from shore to deepsea anchorages – at comparatively low cost.

Jason Benz Bennee

Reclaimers, conveyors and stackers handling coal for export at Hay Point, North Queensland

STS's achievements include McArthur River Mining's *Aburri* operating in the Northern Territory, Century Mining's *Wunma* in Far North Queensland and T-Ports' *Lucky Eyre* in South Australia's Spencer Gulf.

ASSISTING STRANDED EXPORTS

Another innovator enabling development of what might otherwise be stranded bulk exports is West Perth-based Transhipment Services Australia (TSA), founded in 2010 and focused on what it characterises as low-cost, reliable, simple and flexible tug-and-barge operations for the mining and oil and gas industries, from conception to operation.

One of TSA's key clients is bauxite producer Metro Mining, whose principal activity is the Bauxite Hills project 90 kilometres north of Weipa on Queensland's Cape York peninsula. TSA already operates a fleet of five tugs and six dumb barges that have been transhipping Metro ore from a loading site on the Skardon River to bulk carriers in the Gulf of Carpentaria.

With Metro looking to bring shipping costs down by using larger bulk carriers TSA in mid-August placed an order with shipbuilder Damen for a transhipper crane barge to enable greater productivity in the offshore loading of capesize bulkers, an Australian first for a bauxite exporter.

The Metro/TSA relationship has been building for four years, while TSA says it has successfully operated Damen tugs and Shoalbusters in the past. The Dutch company is also providing finance and an engineering support package.

Damen has supplied the 63-metre by 24-metre, 1720 DWT crane barge from stock and was able to have it available within four weeks of the order, following some customisation work, for delivery from Shanghai to Australia by the deepsea anchor handling tug/supply ship *Salvage Rover*.

The crane barge is equipped with a 15-cubic metre capacity grab and expected to enable TSA to load at a rate of 16,000 to 20,000 tonnes per day. Tug and barge were expected to arrive at the end of September, with the transhipper in service this month.

Metro Mining is in the process of increasing Bauxite Hills output to 6 million tonnes per annum on the back of strong demand from international buyers, especially in China. At the end of August Metro and customer Shanxi Liulin Senze Aluminium signed a contract to increase 2021 supply 1.1 million wet tonnes, adding to a 2.3 million wet tonne offtake agreement with Xinfa. The parties are also negotiating agreement extensions to end 2024.

TSA also handles Nathan River Resources' export iron ore transhipments from its Northern Territory mine through the port of Bing Bong's loadout facility. Three 4500-tonne barges are loaded at a rate of 1200 tonnes per hour and taken by tug to Supramax and Ultramax geared bulkers moored offshore. The system, developed by TSA in partnership with NRR, has a capacity of 2.5 million to 3 million tonnes per annum and the transhipment contract runs until the end of 2022, with possible extensions.

The sustained strength in the global iron ore market – at least, until the end of August – has seen a number of Australian mines re-activated and more marginal projects moved forward.

Transhipment Crane Barge 6324 – a floating crane for bulk, container and breakbulk – being delivered by deepsea anchor handling tug/supply ship *Salvage Rover* for Metro Mining

Metro Mining

PROJECTS IN DEVELOPMENT

TSA has a number of other projects in development, as an integral service provider partner. These include Valperlon's Wuudagu Bauxite project, located 15 kilometres west of Kalumburu in the Kimberley region of WA.

TSA has been contracted to provide transhipment consultancy services, which includes reviewing several options for the location of a barge loading facility (BLF), associated marine infrastructure, and anchorage locations for their project.

Under a binding MoU, TSA will design, supply and install the BLF and provide transhipment services at Wuudagu Bauxite Project Port, anticipated to use a TSA-operated floating carne to deliver export cargoes to up to minicape/capesize vessels (180,000 DWT). The resource is estimated at 120 million tonnes and if all approvals are obtained Valperlon expects work to begin next year.

Also in WA, TSA has been engaged by Agrimin Limited to build a barge-loading facility and provide barge loading services for its 100% owned Mackay Potash Project, on Lake Mackay, approximately 785 kilometres south of the port Wyndham. Lake Mackay is claimed to be the largest undeveloped potash-bearing salt lake in the world.

Again, TSA has a binding MoU with Agrimin to construct the BLF and provide transhipment services at Wyndham where the companies will construct and operate a bespoke facility to feed cargo to a range of bulkers up to ultramax size (60,000 DWT).

Wyndham is also the chosen export outlet for Panoramic Resources, which recently signed contracts with port leaseholder/operator Cambridge Gulf for the road haulage of concentrate from the Savannah Nickel project from mine to port, as well as storage and stevedoring services. Panoramic commenced mining in July and plans first shipments of nickel-copper-cobalt concentrate in December.

While these projects are relatively small in volume terms, they are still significant contributors to the bulk sector's activity and wealth.

MORE IN WA

At the opposite end of the scale, BHP has now secured approval from WA's Department of Water and Environmental Regulation to increase its Port Hedland iron ore exports from 290 million tonnes per annum to 330 million tonnes, although this boost will be dependent on Pilbara Ports Authority's assessment of channel capacity.

BHP is the first of the majors to gain permission for volume increases, with Fortescue Metals Group, Gina Rinehart's Roy Hill and subsidiary Atlas Iron, plus Mineral Resources, all seeking to lift Port Hedland shipments.

BHP has undertaken to improve air quality and reduce dust emissions at its Port Hedland facilities and will upgrade its Nelson Point site with two new stockpile areas, two new reclaimers, one upgraded and one additional stacker, and a raft of changes to lump rescreening plants and routes taken around the premises.

IRON ORE INVESTMENTS

The sustained strength in the global iron ore market – at least, until the end of August – has seen a number of Australian mines re-activated and more marginal projects moved forward.

NT Bullion has revived the two million to three million tonne-per-annum Frances Creek mine in the Northern Territory, shut down in 2015 due to low prices, and shipped its first ore through the port of Darwin in mid-June, the first such export since that year.

The company, which purchased the site from Gold Valley Holdings last year, is initially drawing on existing stockpiles using innovative x-ray technology from German company Steinert to screen waste rock, which is then processed to convert low-grade ore to produce export quality iron ore at a low cost.

Also in the NT, Vietnamese steelmaker Hoa Phat Group has acquired the dormant Roper Valley iron ore project, 420 kilometres south-east of Darwin and flagged its appetite for other Australian ore and coking coal operations, with the expectation of sourcing half its annual requirements.

HYDROGEN HOPES

With many believing production of and demand for Australia's iron ore and coal will decline in the face of climate change pressures, will green hydrogen become the new glamour commodity for the nation's bulk ports?

Green hydrogen production/bulk export projects are proposed for Kwinana, Geraldton/Oakajee, Bell Bay, Townsville, Gladstone, Port Bonython and Port Kembla, amongst others, with state governments and private companies vying to stake a claim in the burgeoning industry.

Amongst the most prominent are Andrew Forrest's Fortescue Future Industries' joint venture with Japan's IHI at Bell Bay, in conjunction with TasPorts, while Origin Energy, Abel Energy and Woodside Energy are all pursuing projects at "Tasmania's hydrogen hotspot".

In Queensland a consortium of the state government's Stanwell, energy infrastructure business APA Group and Japan's largest hydrogen supplier, Iwatani, along with Kawasaki Heavy Industries, Kansai Electric Power Company and Marubeni, have selected Gladstone as the site of large-scale renewable hydrogen facility to supply power to Central Queensland and export to Japan.

North Queensland Bulk Ports has entered into a MoU with global and local partners for a feasibility study on green hydrogen production and development of a supply chain at the Port of Hay Point.

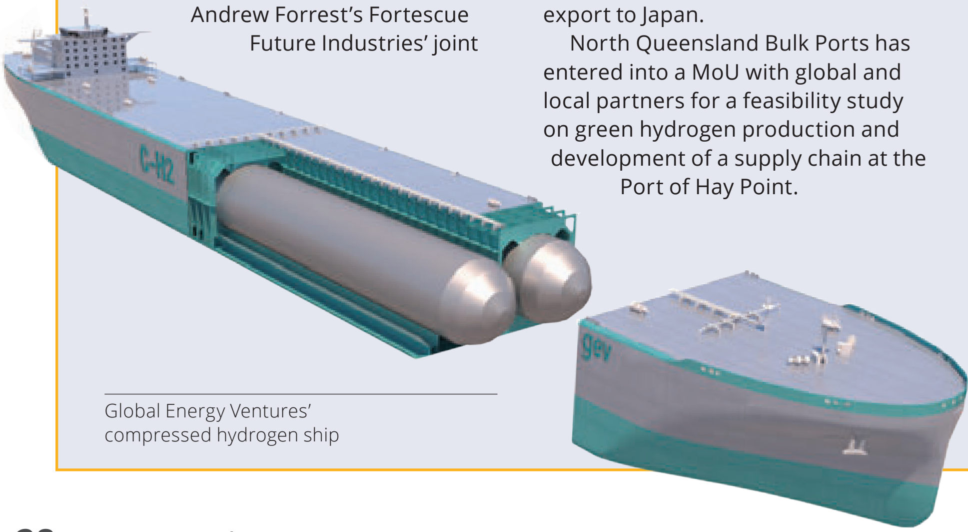
Also in Queensland the Port of Townsville in early September signed a MoU with Ark Energy, an affiliate of South Korea's Sun Metals, that could see exports of 120,000 tonnes per annum of green hydrogen. Earlier, in April, the port established a MoU with origin Energy anticipating hydrogen exports to Japan.

South Australia has at least two prospects under consideration and the government has invited expressions of interest for the development of the existing deepwater Port Bonython as an export-focused hydrogen precinct.

In WA, the state government has established a $50 million fund to drive renewable hydrogen industry development, including a plan to establish Oakajee, near the port of Geraldton, as a major export hub.

At Kwinana, BP Australia is progressing its Clean Fuels Hub proposal, which would see its existing refinery used for green hydrogen and clean fuel production.

Global Energy Ventures will receive government support to evaluate the feasibility of exporting green hydrogen from the Gascoyne using a compressed hydrogen shipping solution.



Global Energy Ventures' compressed hydrogen ship

Image supplied


Port of Burnie, Tasmania

Will green hydrogen become the new glamour commodity for the nation's bulk ports?

Roper Valley, also known as Roper River, has been through a series of owners since going into administration in 2016, with Hoa Phat concluding its purchase in early June from Al Rawda Resources of the UAE. The mine has been seen as a low-grade, high-cost venture but has reserves totalling 320 million tonnes and annual production capacity of four million tonnes per annum. Production costs are now lower and ore prices substantially higher, standing at more than US$200 per tonne at transaction time.

In WA, Atlas Iron has obtained all approvals for its five-pit, 8-million-tonne Miralga Creek iron ore project, and extension of its Abydos mine in the Pilbara while Strike Resources has secured funding for long-lead equipment for its Paulsens East mine, also in the Pilbara, with first production expected later this year.

Another iron ore miner has progressed its WA production and export supply chain, this time in the south-west of the state in the Yilgarn Region.

Queensland-based Macarthur Minerals has a number of minerals developments in Australia and the USA but is currently focused on the Lake Giles Iron Project, located around 175 kilometres north-west of Kalgoorlie. Lake Giles encompasses the Ularring hematite resource and the Lake Giles magnetite resource.

In July and August Macarthur struck two rail haulage agreements, the first with Pacific National for the transport of up to 400,000 tonnes per annum of direct shipping ore from Kalgoorlie to the port of Esperance for up to four years. The companies expect the contract to begin upon availability of rolling stock, in 1Q 2022.

The second deal is with Aurizon and covers the railing of up to 500,000 tonnes per annum of DSO from West Kalgoorlie to the port of Kwinana. Macarthur has yet to secure port capacity at Kwinana, however.

The company says the combined rail paths accessed through the new agreements also boosts its opportunity to export DSO lump and fines products secured from GWR Group under a recently announced mine-gate sale agreement. Under that deal Macarthur will take up to 400,000 tonnes per annum of DSO from GWR's Wiluna West project, also located in Yilgarn.

EAST COAST PROJECT

In NSW, the south-eastern port of Eden could become Australia's latest iron ore exporter if an MoU between Sydney-based miner Eastern Iron and the logistics division of forestry and agriculture group Pentarch proceeds to commercial agreement.

Eastern Iron's subsidiary Gippsland Iron is developing the Five Mile magnetite deposit at Nowa Nowa in eastern Victoria, where the resource is estimated to hold 9.06 million tonnes of reserves.

If a commercial agreement is reached Pentarch's Eden port facilities in Twofold Bay – hitherto used for export woodchips and logs – will be modified to store and ship up to 1.5 million tonnes per annum of Eastern Iron's beneficiated magnetite. Pentarch Logistics will manage road transport over the 234-kilometre Princes Highway journey from mine to port, and Pentarch Stevedoring the ore storage and shiploading.

Before the new MoU provided Eden access, Eastern Iron had proposed that ore would be delivered from the mine either by truck or slurry pipeline some 15 kilometres to a point close to the Gippsland coast.

The iron ore would then be stockpiled and during shiploading, mixed with water to form slurry that would then be pumped offshore directly onto 100,000 DWT vessels, secured at anchor by a single-point mooring.

This operation would have been modelled on the Taharoa Iron Sands operation in New Zealand. However, this option has now been superseded thanks to the access, via Pentarch, to Eden. Both parties have agreed to work together to investigate site modification and operating procedures for storage and product handing and loading ahead of a binding agreement. No timeline has been disclosed.

MV *Aburri* at the Bing Bong loading facility, Northern Territory

Bulk business is big business for ports right around the country.

TASMANIA IRON ORE AND WOOD FIBRE

In Tasmania in mid-September Venture Minerals shipped its first export cargo of 46,000 tonnes of iron ore from the West Coast's Riley Creek Mine through the port of Burnie.

Haulage partner Qube Logistics began continuous road transport of the processed ore 120 kilometres from the mine site near Tullah to the port in late August. The shipment was destined for a Chinese port designated by Venture's offtake partner Prosperity Steel United of Singapore and the company expects to ramp up to two shipments per month for annual output of 800,000 tonnes per annum.

Venture is also proposing a new underground tin-tungsten mine at Mt Lindsay, to the west of Riley Creek. Venture claims this is one of the world's largest tin deposits.

These projects and a number of other proposed West Coast/North-West Tasmania mining developments will make use of TasRail's new Burnie bulk shiploader, the first phase of which began in early September when local company COVA Haywards was officially awarded the design and construction contract.

Fabrication of the new loader will begin early in the New Year. At about 2000 tonnes per hour, it will have double the capacity of the 50-year-old unit it will replace and also be located on Berth 5.

TasRail CEO Steven Dietrich said the new shiploader would guarantee the export supply chain for existing customers and provide options for new projects. The $64-million cost is being shared by the state and federal governments following election pledges.

Further along Tasmania's north coast at Bell Bay on the Tamar River, Australia's only listed wood fibre processor and exporter Midway Limited has begun construction of new processing, port storage and loading facilities.

After securing a long-term lease with TasPorts Midway is investing up to $14 million to establish its own export facility at Bell Bay's Berth 7, capable of shipping up to 600,000 tonnes per annum through that berth and third-party facilities at Berth 6.

Managing director Tony Price said the project would allow additional exports of wood fibre to new and emerging markets from the port.

"Midway already exports its own and third-party wood fibre from another facility at Bell Bay but decided to build its own export facility to provide additional capacity to facilitate growth in sales volume having successfully secured significant additional resource from both publicly and privately owned forests", Mr Price said.

"As a result, Midway was able to offer TasPorts guaranteed wood fibre volumes and deliver a fit for purpose logistics solution that will facilitate further growth in the Tasmanian forestry industry."

The company expects to be able to start exporting hardwood eucalypt regrowth and softwood wood fibre in its own right from Bell Bay before the end of this year.

MARKETS IN NEWCASTLE

In Newcastle, NSW, Port Waratah Coal Services has extended its lease of the Carrington Terminal from 2024 until the end of 2031 in a sign of confidence in resilient demand for high-quality Hunter Valley coal, especially from South East Asian buyers.

At the end of September Qube Agri completed a deal to acquire the Newcastle Agri Terminal from previous owners CBH, Viterra Australia, Riverina and CTC Terminals in a $90-million deal.

NAT has handled an average of 4.8 million tonnes per annum over the last seven years and has about 60,000 tonnes of silo storage, modern rail receival infrastructure, road discharge facilities and the ability to load out up to 2000 tonnes per hour.

Meanwhile, Sweetman Renewables has signed a 20-year supply agreement with Sinanen Holdings to supply biomass to four biomass power plants in Japan. This involves some 60,000 tonnes per annum of green woodchips to be shipped through Newcastle to a power plant near Kitakyushu in Moji. Sweetman is also working on a plan to produce green hydrogen through the gasification of woodchips. ■

Transhipment Services Australia's Agrimin Mackay Potash project

Images supplied

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Creating tomorrow.

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We partner closely with our customers to design and deliver integrated port assets and seamless trade solutions to complement their supply chain.

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$7 billion
OF TRADE MANAGED ANNUALLY

600
VESSEL VISITS ANNUALLY

12 million
TONNES OF PRODUCT ANNUALLY

1800
JOBS SUPPORTED ACROSS VICTORIA

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Pre-refloat reef inspection

The refloating of Crystal Sea

Australia's TMC Marine played a key role in the successful response to the grounding of general cargo vessel, *Crystal Sea*, on the south-east coast of Papua New Guinea. By **Paula Wallace**

In November 2019, the Japanese-owned MV *Crystal Sea*, a general cargo vessel loaded with rough sawn logs, ran aground on one of the many Tufi group of reefs. The ship was on passage from Alotau to Zhangjiagang when it grounded on Greaves Reef, somewhat embarrassingly only 15 metres from a lighthouse.

There are four reefs each bounding the recommended route for ships approaching and passing east of Tufi, a village located on the south-eastern peninsula of Cape Nelson, Oro Province, Papua New Guinea (PNG).

These clusters of reefs are also a famous attraction for divers and tourists with the legendary white hammerhead sharks frequenting Ritchie's Bommie.

The 8810 DWT *Crystal Sea*, at 115.48 metres long, was hard aground on the remote reef due to a fatigue-related navigation error.

TMC Marine's Captain Roger King, who had been attending other casualties in the Oceania region including the *Solomon Trader* off Rennell Island, received the call to attend the scene at Tufi.

He also recently attended the completed full wreck removal of the high-profile *Kea Trader* in New Caledonia as part of a rotation with colleagues from London and Australia.

"You never know when the phone call is going to come because there's never any warning of a grounding or marine incident," Captain King told *Daily Cargo News*.

"In this case the call came late at night and by the next morning, my travel guru Nathan had me on my way to PNG."

The exact location of the casualty was unknown except that it was off a remote part of PNG, however more details emerged during the course of the day.

"By the time I arrived in Port Moresby, news came though that the casualty was off Tufi," Captain King said.

"After securing the last seat on the last flight to Tufi I was away, in company with the head of the PNG Maritime Safety Authority."

Fortunately, there is a dive resort at Tufi constructed from the remains of a World War II American PT boat base. Resort managers Jana and Thomas found a room for Captain King after a tractor ride from the airport on what turned out to be the only road on the peninsula.

Unlike many salvage operations in remote locations, this project was successful in part due to having good accommodation located nearby for surveyors and stevedores, as well as access to seaworthy vessels and good communications.

Oro or Northern Province is historically significant as the site of the final World War II battle between Australian and Japanese forces. Its capital, Popondetta, is located at the commencement of the Kokoda Track.

As is often the case in these remote locations, the "jungle whisper" or "coconut wireless" was a great source of information. The ship was aground on a reef in a remote location, on the edge of an ancient volcano where the only access is by boat.

The next day, a resort dive boat was commissioned to convey the PNG MSA manager of operations Captain Orlowski and Captain King to the casualty.

"Captain Orlowski was able to commence his incident investigation and I liaised with the master ship management superintendent and salvage master.

"With a ground reaction of around 2000 tonnes, the vessel required lightening of its cargo of rough logs in order to refloat it," Captain King said, adding that local operator Pacific Towing and Japanese group Nippon Salvage were appointed as co-salvors, with the latter providing technical advice.

LOCAL UNDERSTANDING

Captain King said, "I was appointed by the ship's protection and indemnity insurer with my role to ensure the welfare of the master and crew, liaise with the national and local authorities and to ensure that no environmental damage was done during the refloat operation".

The liaison role was significant, given there has historically been a number of incidents involving stricken vessels in PNG that have resulted in breakdowns in communication with local communities and subsequent violence.

"The wreck of the *World Discoverer* is testament to when that occurs, where salvors abandoned the wreck following gun-related violence," Captain King said.

The wreck of the *World Discoverer* still sits in Roderick Bay, in the Central Province of the Solomon Islands.

"It is often related to land ownership rights that extend to the sea including reefs, where landowners believe they have the right of possession of a wreck," Captain King said.

"The looting and ransacking of the *Solomon Trader* is a classic example of where that has occurred."

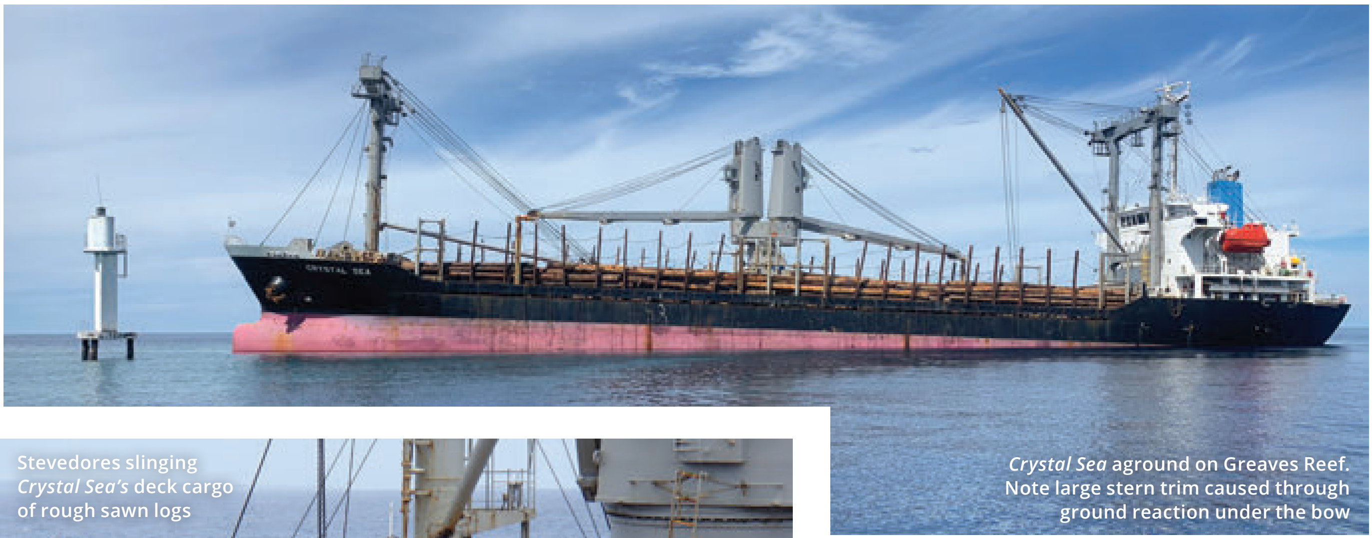
The tribal and clan land ownership structure in Melanesia is quite complex and needs to be well understood by those operating in areas of PNG and the Solomon Islands.

Traditionally, each village consists of usually four to five clans (but sometimes more). The

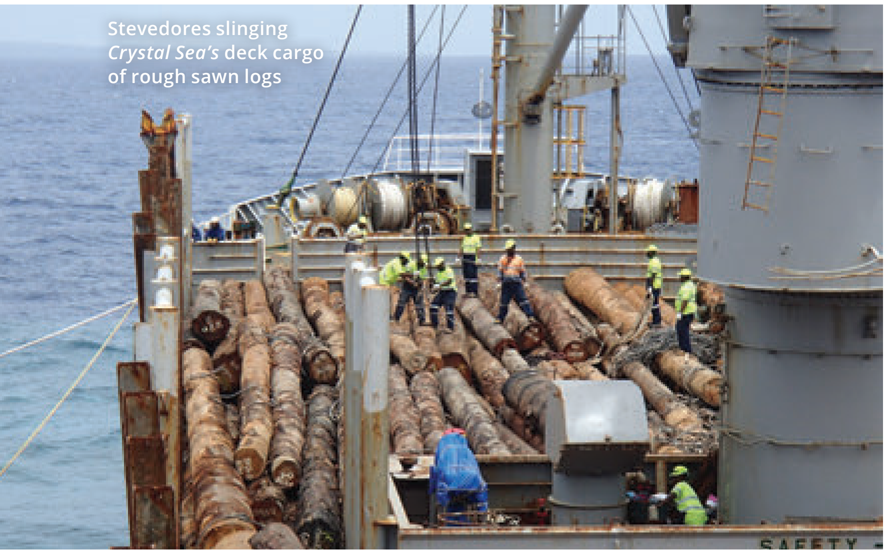
TMC's **Captain Roger King** onboard *Crystal Sea*

The former WWII PT boat base in Tufi sound

Paul Stringer; TMC Marine



Crystal Sea aground on Greaves Reef. Note large stern trim caused through ground reaction under the bow



Stevedores slinging *Crystal Sea's* deck cargo of rough sawn logs

left: Unloading stevedores' equipment from *Langila* to *Crystal Sea*

right: Captain Roger King (centre) with PacTow's stevedores celebrating the refloat

land and sea around the village is divided up between the clans. The head of the clan is also the "landowner".

"To engage with the incorrect village or the wrong landowner about a piece or land (or reef) will cause much offense and can lead to violence. There is a paramount chief for each village which is a birth right," Captain King said.

In the modern formal context, there is an Oro provincial governor who sits in the National Parliament. Each province has their officials and has a local MP who represents them in Port Moresby. Reporting to the MP is the council president who represents around 10 villages in a geographical area elected by the village councillors.

"The village councillor is elected by the village people and is the real seat of knowledge about who is who with respect to land ownership," Captain King said.

"The village councillor should be engaged first to avoid the kind of offence referred to above."

TMC also liaised with officials of the provincial maritime safety authority who had travelled down from the Popondetta, whilst on site.

LIGHTENING THE LOAD

Over the coming days, Nippon Salvage developed a refloat plan for the *Crystal Sea* and a hull and machinery surveyor arrived. Nippon Salvage's in-country partner PacTow mobilised a team of stevedores, a salvage engineer, the barge *Nivani Challenger* and the harbor tug *Langila* from Lae.

The plan involved the discharge of the deck cargo of logs onto a barge that had been towed from Madang. With the casualty lightened to reduce the ground reaction, the *Langila* would pull from astern as the tide reached spring highwater.

"Following some tense moments, the vessel slipped through the reef on a reciprocal course to her grounding with no additional affect to the coral reef," Captain King said.

Before the vessel was refloated, Jana (also the dive instructor) and TMC conducted an underwater survey to assess the extent of reef damage as well as to determine whether an expert assessment was required.

"Fortunately, the damage on the reef was only impacted to the extent of where the vessel had grounded," Captain King said.

"As there was no apparent hull damage, and no other releases, the vessel proceeded to Oro Bay, the port for Popondetta.

"Once there a full underwater inspection was conducted, the deck cargo was reloaded and the vessel proceeded on its voyage," Captain King said.

TMC continued to liaise with the local authorities, including the president of the province and the mayor of Popondetta, to ensure they were kept well informed of progress and were satisfied with the result. ■

Image supplied

Three of Pacific Towing's existing ASD tugs servicing an offshore oil and gas client in the Gulf of Papua

Building capacity in the region

DCN speaks to leading salvage operators in Australasia about their efforts to increase training and fleet capability in the emergency response sector

Following the re-establishment of United Salvage in 2020, the company set about re-affirming all salvage and emergency response capabilities that were previously being provided as Ardent Oceania. A critical component of this, is the provision of training in the emergency response sector, as one of its fundamental services to the Australian marine industry.

Since the creation of the emergency towage capability program by the Australian Maritime Safety Authority (AMSA) in 2005, United Salvage and its predecessors have maintained an emergency towage training course for level I and level II nominated crews. In the event of a significant risk of pollution, crews of nominated vessels can be called on at short notice to mobilise and proceed to sea under the powers of intervention available to AMSA.

Captain Drew Shannon from United Salvage said, "In order to mobilise and respond to such an incident, towage crews need to maintain awareness and familiarity of mounting such a response in a timely and safe manner.

"Adjusting from harbour towage operations to emergency towage at sea, requires systems and procedures to be in place to minimise response time and ensure the towage vessel departs equipped, crewed and capable of responding."

ACHIEVING ACCREDITATION

In 2020, when United Salvage was re-activated, the company undertook an audit regime with Lloyd's Register to assess its emergency towage coursework and hands-on training program for accreditation under the class society.

United Salvage was successful in achieving compliance and was granted accreditation by Lloyds.

The course is designed to train marine professionals, qualified in their respective position with operations to undertake emergency response towage at sea.

"Attendees may be unfamiliar with towage at sea through to experienced mariners who are refreshing their knowledge," Captain Shannon said.

"The combination of both at any course allows for vital experience to be passed on, helping to maintain skills and awareness."

Typically, a course will run for two days providing both in-class tuition as well as on water drills designed with different scenarios that can be encountered at sea. Class work provides a unique opportunity for the more experienced mariners to share their experiences, provide lessons learnt and foster teamwork.

Drills performed in class typically involve the nominated towage asset as well as a "casualty" to be rendered assistance. The tug will be prepared for sea in every respect including towage equipment assembled on deck.

Once commenced, the crew will undertake passing over and connecting up to a casualty under pre-determined conditions designed to test the crews.

Class room tuition to discuss all facets of emergency towage where models are used for demonstration purposes

PacTow

Evaluation of each drill, the performance of all involved and a debrief of performance is undertaken to provide positive feedback to all involved to maintain the skills required.

QUALIFIED TRAINERS

To provide courses such as this, United Salvage maintain qualified trainers holding certified workplace training and assessment credentials to conduct each course.

Delivering the program allows United Salvage to remain aware of local challenges, opportunities and needs of the vessel operators, crews and regions should they be activated.

"We see providing this form of training as mutually beneficial to both towage crews and United Salvage personnel," Captain Shannon said.

"We see maintaining this training and familiarisation as just one piece of Australia's response capability for the Australian coastline."

PACIFIC TOWING'S RE-FLEETING

Pacific Towing (PacTow), a 44-year-old marine services business headquartered in Papua New Guinea, is halfway through a re-fleeting program. By 2025 when the program is complete, the company will have a total of 11 Azimuth Stern Drive (ASD) tugs in its fleet. The upgraded fleet will not only meet the harbour towage demands of increasing vessel sizes in PNG's main ports but further grow the company's regional salvage capacity.

PacTow has a current fleet of 22 vessels, a dedicated tug base in PNG's capital Port Moresby, operations at the country's five main ports, as well as separate

Adjusting from harbour towage operations to emergency towage at sea, requires systems and procedures to be in place.

Captain Drew Shannon, United Salvage

Pacific Towing has conducted more than 50 salvage operations throughout the region

Our growing fleet of ASDs enhances our salvage capacity not just in PNG but also in international waters.

Neil Papenfus,
Pacific Towing

businesses in the Solomon Islands and Fiji. Although its core business is harbour towage, PacTow is also the region's leading salvage operator.

A full member of the International Salvage Union, PacTow has conducted more than 50 salvages in the region. The company has the capacity to complete salvages by itself but also partners with international operators.

Just two of PacTow's salvages in Melanesia have included the 2018-2019 salvage of 256 TEU/4286 DWT container ship the *Southern Phoenix* and the fully laden 4600 GRT log ship *Foxhound*. The *Southern Phoenix* sank in Fiji's Suva Harbour and this particular salvage project provided the impetus for PacTow to establish its Fiji business. The *Foxhound* was salvaged after it suffered cargo shift and was abandoned by crew and had run aground a reef in PNG's Vitaz Straits in 2015.

Some of the salvages PacTow has assisted with in Australian waters include reefer vessel *Peacock* aground north of Cairns in 1996; bulk carrier *Dakshineshwar* aground in Torres Strait in 1997; containership *Bunga Teratai Satu* aground north of Cairns in 2000; and bulk carrier *Doric Chariot* aground north of Cairns in 2002.

REGIONAL FOCUS

General manager Neil Papenfus reports that PacTow is well positioned to service the broader region when it comes to salvage, not just because of its fleet, equipment and salvage experience but because the company is the only salvage operator headquartered in PNG.

"Its geographic positioning combined with its fast responder capability means that PacTow can be the first on the scene of a casualty," Mr Papenfus said.

The company's salvage work in combination with its purchase of larger, newer ASD tugs also provides important training and development opportunities for its staff, 97% of whom are PNG nationals, in particular its team of cadets.

"We have two cadetship programs training PNG's next generation of seafarers, one of which is specifically for young PNG women," Mr Papenfus said.

"The deck and engine cadets are rotated through the ASDs and utilised whenever possible for salvage work and other major projects to maximise their breadth of learning."

A member of the International Spill Control Organization, PacTow also provides emergency spill response and pollution prevention services. These are typically used by the company's oil and gas clients, however, they are also utilised on salvage projects.

Commercial diving is another complementary salvage service provided by PacTow, with all the company's divers Australian-trained and certified.

The final three ASD tugs that PacTow is planning to purchase in order to complete its re-fleeting program by 2025, will include a 50tbp vessel as well as two 70tbp vessels.

The company plans to re-distribute some of its older conventional vessels to service PNG's smaller ports as well as its operations in the Solomon Islands and Fiji.

"They will also be made increasingly available to some of PNG's coastal shipping operators, including sister company, Consort Express," Mr Papenfus said.

PacTow

UNITED SALVAGE
SERVICING AUSTRALIA AND THE SOUTH PACIFIC

The company's head office and main warehouse facilities are located in a convenient and multi-user facility located near the port.

We are excited to be working alongside Avcon Projects Australasia and Risk Response Resources to form a combined Training, Safety, Environment and Emergency Response Hub in Port Kembla.

The new location places the company and its assets adjacent to one of New South Wales' busiest ports.

We have maintained our caches of equipment located in Dampier WA, Cairns and Mackay Qld.

The new location houses the majority of the company's first strike and large-scale equipment and machinery held for all forms of marine emergency response, wreck removal and decommissioning support.

We are well experienced in providing decommissioning services and support in Australasia. We have undertaken large scale projects in port and offshore that include;

- Removal of fire damaged jack up rigs form oil fields
- Fire damaged bulk carriers within port limits.

The United Salvage team is experienced at responding at short notice to assist, ship owners and their crews in a variety of circumstances. Our emergency salvage response services can include;

- Naval architecture
- Marine engineering towage
- Marine pollution
- Hazardous materials management

We maintain our Lloyds Register accredited training course for emergency towing crews as part of our wider scope of services.

UNITED SALVAGE
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Image supplied

Integrating supply chains

Swire Shipping's network is becoming increasingly seamless with a new inland logistics offering for Oceania customers

Landside logistics is evolving in the Pacific Islands with Swire Shipping introducing a range of inland transportation services to its network, enabling seamless deliveries across the Asia-Pacific region.

The new landside services include customs clearance, inland transportation, and bespoke project cargo solutions, adding a new dimension to the operation of Swire's 14 liner services in the region and globally.

The services are currently offered in three island nations, but Mike Arnold, global head of landside logistics for Swire Shipping, told *Daily Cargo News* they are expected to flourish throughout the islands of the Pacific.

"We've currently launched our inland products within Papua New Guinea, Solomon Islands and Fiji, with intentions to develop inland logistics throughout our other key markets in Oceania over the next few years," Mr Arnold said.

"With last-mile transport, warehousing and customer clearance services into the South Pacific being at the centre of our near-term plans, we will continue to expand our network within key inbound trading hubs such as Australia, New Zealand, China and South East Asia."

Although Swire Shipping has offered some inland services for decades, the formal announcement of the landside expansion in July this year was driven by a two-fold goal.

"Firstly, we wanted to take what we already do, and increase our ambitions and breadth of offerings to make it even easier for customers to integrate various inland solutions," Mr Arnold said.

Secondly, it became clear to Swire that its customers were waning to simplify their supply chains, increase reliability and work with a smaller number of partners.

"To this end, by leveraging our expertise and knowledge of our core markets within Asia Pacific, we believe that Swire Shipping is well positioned to become a partner of choice, thus benefiting the market with a truly seamless, reliable and effective end-to-end service offering," Mr Arnold said.

The volatility of the shipping market means the service is not immune to port congestion in the region; however delivering across land and sea with a single partner will ease logistical challenges, according to Swire.

"The fact that Swire Shipping has direct management of cargo throughout the end-to-end supply chain does provide some important advantages," Mr Arnold said.

"We ensure full visibility on cargo shipments and therefore can advise our customers on how best to mitigate any potential delays before they occur.

"As an integrated offering, we can position cargo to minimise on additional costs and negotiate on our customers' behalf in the event of unexpected situations," he said.

LOCAL KNOWLEDGE

With a history of service in the Pacific Islands spanning almost 150 years, Swire Shipping's local expertise is enabling it to overcome the unique customs clearance and freight forwarding challenges in the region.

"We are particularly well placed with teams on the ground to support complex supply chain requirements in Papua New Guinea and across the Pacific Islands," Mr Arnold said.

"These countries are diverse and require local knowledge to streamline challenges that can occur either at port, through customs clearance, or transporting to challenging sites.

"No other liner has the connections, expertise and integrated solutions that Swire Shipping can provide across the Pacific."

In order to provide road transport, customs clearance and warehousing solutions, Swire Shipping has partnered with leading intermodal logistics companies, including a local provider, to create a unified network in each market.

"Within Australia, we have partnered with Cargo Transport Solution based in Brisbane as our main service provider for specialised project cargo, customs and inland transport solutions," Mr Arnold said.

Although Swire said the expansion into landside logistics presents benefits in terms of efficiency, it also offers financial advantages for customers, with bespoke services bringing costs down.

"We believe that Swire Shipping can add-value both operationally and financially by aligning ourselves more closely with our customers' goals," he said.

"Through end-to-end logistics service solutions, we can tailor our products to the needs of our customers whilst leveraging our container volume scale to drive costs lower.

"This can result in savings on ocean, reduced port storage, detention and demurrage, container haulage, warehousing and inland transport. By quickly adjusting levers when uncertainty arises, we are able to mitigate risk of cost overruns."

ROLE OF TECHNOLOGY

Swire Shipping's product expansion is complemented by a commitment to visibility, reliability, and care, which Mr Arnold said will be achieved through technological advancements and the implementation of a system designed to simplify the process.

"We are leveraging a leading cloud-based logistics technology partner, and their solutions are being integrated so that we have full cargo visibility on both inland logistics and across our liner services," he said.

"Through a common system we can more efficiently manage our customers' shipments and provide visibility throughout the supply chain from factory to door.

"We strive to save our customers time, so simplifying the complexities that customers experience during international trade is our key driver, and by utilising our local country teams and proven strategic partners we are well placed to improve reliability and cargo care."

Mr Arnold said the design of the service was influenced by customer demand, but as needs evolve, so will support for different methods of logistics and the growth of e-commerce.

"We are designing our service model for a wide number of industry verticals as applicable to our existing liner customer base, from mining and resources, agriculture to FMCG and retail," he said.

"We do, however, see that customers are beginning to consider more omnichannel supply chain solutions across the Pacific as a result of e-commerce being accelerated due to the current pandemic.

"With growing customers' needs within the business to consumer sector, we are well placed to support this growth opportunity."

CHIEFS OF THE PACIFIC

Swire Shipping's expansion into landside logistics coincides with a move to rename their vessels, aligning with its commitment to the Pacific Islands.

As the company's 150th anniversary approaches, the decision reflects its purpose of enriching lives by connecting customers with communities in the Pacific.

The vessel names will be standardised to include the term *Chief* in celebration of Swire Shipping's heritage in Melanesia, Micronesia, and Polynesia.

In a statement to its customers, the company said the term signifies a strong standing in the communities in which it operates.

On Swire Shipping's East South East Asia (ESEA) service, *Szechuen* will be renamed *Vanuatu Chief*, and *Shansi* will be renamed *Samoa Chief*.

Meanwhile, on the North Asia (NAT) service, *Soochow* will become *Noumea Chief*, and *Shengking* will become *Kiribati Chief*.

On the company's South East Asia (SEA) service, *Chefoo* will become *Moresby Chief*, while *Changsha* will become *Lae Chief*.

Some vessels are taking the existing names of other vessels, with *Noumea Chief* currently on the North Asia Express (NAX) service to be renamed *Nadi Chief*, and *Lae Chief* on the same service being renamed *Lautoka Chief*.

Image supplied

Lessons learnt from COVID 1.0

DCN looks at how logistics firms can build capability and capacity to handle the ongoing pandemic. By **Paula Wallace**

The COVID pandemic has presented many logistics challenges, not least the global distribution of vaccines. Over the past year, logistics companies have been investing in cold chain capabilities to ensure cargo temperatures are maintained throughout the supply chain.

Vaccines are stored and moved around the world by air and road at different temperatures, depending on the product requirements. For clinical trials, a high level of expertise is required to handle items such as vaccines and other pharmaceutical products.

However, at present, not every country is fully equipped with temperature-controlled storage capabilities – which makes transporting and distributing the vaccines a complex process.

Another challenge is the highly sensitive nature of the vaccines themselves. Deep-frozen storage capabilities with temperatures of -70°C were required for COVID-19 vaccines for example.

Slobodan Boskovic, vice president, pharma and healthcare, Kuehne+Nagel Asia Pacific, told *DCN*, "To ensure an uninterrupted cold chain at the necessary levels, we developed a regional hub strategy, which included vaccine storage, transportation, and quality support services.

"To transport vaccines directly from the manufacturer to clinics, we also offered door-to-door services, backed by close to 250 Good Practice in pharma (GxP)-certified operations and more than 3500 GxP-trained staff members."

With this approach, the company has shipped more than 400 million doses to date, serving the majority of countries with COVID-19 vaccines.

Kuehne+Nagel Asia Pacific

LESSONS LEARNT

Over the past year, Kuehne+Nagel has invested in warehouses with sufficient cold chain capabilities in Europe and the United States to serve those markets and allow for access to other parts of the globe.

"In the last decade, we have made significant investments in our pharmaceutical and healthcare distribution network, especially in designing and building capabilities for additional volume," Mr Boskovic said.

"Prior to the pandemic, we had invested in a state-of-the-art logistics hub in Singapore."

The 50,000-square-metre distribution centre is specifically designed for the pharmaceutical and healthcare industry, with more than 40% of the space equipped with temperature-controlled storage of 15-25°C, 2-8°C, -20°C and -80°C redressing and postponement services. It also serves as the regional warehousing facility for distribution in Asia Pacific.

"Additionally, we developed a COVID-19 Temperature Pod solution that allows countries to set up storage locations supporting distribution at the required temperature ranges," Mr Boskovic said.

Utilising a 40-foot temperature-controlled sea container in a dedicated, secure/guarded yard, this solution provides agility and flexibility for COVID-19 vaccine distribution globally.

"We understand that well-established handling processes, communication, and proper infrastructure will play a part in managing the complexity moving forward," he said.

"With our many years of vaccination distribution via our KN PharmaChain solution, Kuehne+Nagel is ready to support the next rounds of vaccine distribution worldwide."

KN PharmaChain is an integrated, customisable solution to ensure the safe and efficient transportation of pharmaceutical and healthcare products.

"Our GxP-certified team designed a comprehensive supply chain that takes into the multitude of requirements and constraints for the COVID-19 vaccines, which includes in-transit monitoring tools, based on GPS live tracking technology allow as well as a dedicated 24/7 HyperCare team," Mr Boskovic said.

The HyperCare team is comprised of people from all over the globe who are monitoring shipments with updates, to reassure customers that the products are moving safely.

"These provided extra transparency, end-to-end visibility, and exceptional management to key stakeholders, including vaccine manufacturers, governments, wholesalers, and distributors."

THE APAC REGION

Kuehne+Nagel has signed contracts for the global distribution of COVID-19 vaccines, including the Asia Pacific. Additionally, it is providing customers with logistics solutions to ship supporting materials such as syringes and vials.

"In Asia Pacific alone, we have more than 45 locations dedicated to the pharmaceutical industry, and our Singapore Logistics Hub is the regional warehouse facility for COVID-19 vaccination distribution," Mr Boskovic said.

"We are also aligned with vaccine suppliers, wholesalers, distributors and governments, to ensure smooth and seamless vaccine distribution in the region and worldwide."

Changes in vaccines suppliers and different manufacturing sites will likely make the distribution of vaccines more complex moving forward.

"A lack of medical supplies could also disrupt existing supply chains, should manufacturers have difficulty procuring the necessary vials and syringes," Mr Boskovic said.

"These items also need to be co-ordinated with evolving vaccine production to ensure that they are available at the right time and place, so this will require deeper involvement between manufacturers and logistics companies."

He said the company is also constantly looking at distribution to remote areas with less established infrastructure.

To ensure an uninterrupted cold chain at the necessary levels, we developed a regional hub strategy, which included vaccine storage, transportation, and quality support services.

Slobodan Boskovic, Kuehne+Nagel Asia Pacific

"With complex and unique challenges in these areas, it will be vital to work closely with UNICEF, COVAX and vaccine manufacturers, and leverage air logistics solutions in the market.

"Looking ahead, we will continue optimising our approach. In such a fluid and unpredictable situation, it is critical for us to constantly identify new risks and challenges and mitigate them ahead of time," Mr Boskovic said.

TRADE RECOVERY AT RISK WITHOUT EQUITABLE VACCINE ROLL-OUT

World Trade Organization economies from mid-October 2020 to mid-May 2021 exercised trade policy restraint and refrained from an acceleration of protectionism that would have further harmed a world economy reeling from the COVID-19 pandemic, according to the director-general's mid-year report on trade-related developments.

The report calls on WTO members to ensure that markets remain open and predictable and warns that failing to ensure wider access to COVID-19 vaccines could undermine the global economic and trade recovery.

Presenting the report to members, WTO Director-General Ngozi Okonjo-Iweala said the report clearly suggests that trade policy restraint by WTO members has helped limit harm to the world economy.

"However, some pandemic-related trade restrictions do remain in place and the challenge is to ensure that they are indeed transparent and temporary," he said.

"The multilateral trading system has shown resilience despite the severity of the global health and economic crisis caused by the COVID-19 pandemic.

"As a platform for transparency, the WTO has a central role to play in ensuring that supply chains are kept open – which is an essential part of increasing vaccine introduction and distribution on the scale needed to end the pandemic.

"WTO members must show collective leadership, act to ensure that markets remain open," Mr Okonjo-Iweala said.

The report draws attention to the serious threat that COVID-19 continues to pose to the global economy and to public health, as vaccine production remains insufficient, contributing to significant disparities in access across countries. This is especially true for low-income developing economies, which are struggling to obtain enough doses to inoculate more than a small fraction of their populations.

DHL's Boeing 767 flying Singapore–Darwin–Melbourne

DHL

The big freight surge

DCN spoke to Gary Edstein, chief of DHL Express' Australian business about massive volume growth in shipments, disrupted supply chains and investing in the region

Which areas of your Australian business have experienced the greatest growth over the past 12 months and why?
At DHL Express Australia, 2020 was our largest year for shipment volume growth in our almost 50 years of operating in this country. Overall, for inbound and outbound shipments combined we experienced around 40% volume growth.

How have you been able to assist Australian customers to realign their supply chains due to global disruptions and massive demand for freight services with correspondingly tight markets in air and ocean freight?
Before the onset of the pandemic in early 2020, close to 60% of total DHL Express Australia volumes were transported on commercial passenger flights via aircraft belly hold, and 40% were carried on DHL-operated aircraft. Once international travel into and out of Australia effectively ceased, we along with the industry were left with a significant lack of freight capacity.

Compounding this situation was a concurrent increase in demand for import and export services. At first, we were seeing large numbers of businesses requesting help to move medical supplies and equipment such as personal protective equipment, as the reality of the pandemic both here and aboard developed, requiring urgent delivery of such goods.

To ensure we could continue to provide a cross-border express service, we started chartering commercial flights in April and May 2020. This was critical at the time, as Australia and the Oceania region due to geography faced unique transport challenges. While the surge in shipment volumes increased, fewer flights than before the pandemic meant we had backlogs of shipments developing in our hubs in Hong Kong, Singapore, and Cincinnati, adding to delivery transit times for our customers.

Later in 2020, as the situation stabilised and there was more certainty among consumers, our customers – Australian businesses – experienced increased e-commerce sales as consumers who had converted to online during lockdowns decided to stay with the purchasing method.

Additionally, many SMEs in Australia, which have traditionally relied on economy services switched to express delivery services to keep up with consumer demand and to work around the extended delivery times the wider industry was experiencing. This in turn drove a demand for delivery services as we entered “peak season”.

Each year we plan for peak season by putting on additional flight services, and in 2020 peak season globally was the biggest on record.

What kind of capacity have you added to air freight services for Australian and trans-Tasman customers?

We had a number of new aircraft and routes planned to come online in 2020, long before we'd ever heard of COVID-19. These services were planned to operate on key routes for Australia, such as Hong Kong, Singapore, the U.S, New Zealand and Japan.

We continued to charter flights while we waited for these new aircraft. We were very grateful that these had already been lined up as we knew they would be put to immediate good use.

One of our first aircraft to come online was a new Boeing 777-200LRF service flying from our US hub in Cincinnati, onto the Los Angeles gateway and to the South Asia Hub in Singapore via Sydney. This Boeing 777 was one of the 14 globally that were ordered by DHL Express in 2018. It was a great addition to the fleet, with its payload capacity of 102 tonnes, range of 9,600 kilometres and greater fuel efficiencies.

In November 2020, we launched a new service connecting Melbourne with Auckland and Christchurch, New Zealand. In the 12 months to November 2020, we'd experienced a 49% growth in Melbourne-New Zealand volumes.

While we'd already been operating a regular service between Sydney and Auckland since 1992, powered by a Boeing 767-300F, in recent years trade between Melbourne and New Zealand had grown significantly, warranting its own dedicated service.

During the first flight between Melbourne and Auckland, volume demand was so strong that we'd filled 14 of its total 19-tonne freight capacity, and by the end of the first week the aircraft was close to being booked out.

In early 2021, we launched a new Boeing 777 service flying five times a week from Singapore to Sydney and return. In the past year, DHL Express recorded a 37% increase in volumes between Sydney and Singapore.

In mid-2021 we commenced a new service from Asia to Melbourne, operating five days a week. This service operates between Singapore and Melbourne via Darwin using a Boeing 767.

We now have approximately 30 regular DHL operated services flying into and out of Australia a week, compared to below 10 before the pandemic hit. Overall weekly capacity is approximately 1500 tonnes.

What investments have your made in increasing your freight capacity in the Australian market?

As our network infrastructure is set up to facilitate connections between overseas markets, the November 2020 announcement of an investment of €750 million (A$1.2 billion) into Asia Pacific infrastructure will significantly bolster our capacity to transport shipments for our Australian customers. Approximately €60 million (A$96 million) of this has been assigned to new aircraft and routes through to 2022.

In January 2021, DHL Express globally ordered an additional eight new Boeing 777 freighters, with first deliveries scheduled for 2022. As our global network has more than 280 dedicated aircraft and approximately 2200 daily flights, the network does have the ability to turn on flight services for trade lanes where spikes in capacity demand are observed.

In the later months of 2021, we will soon complete an infrastructure upgrade of our Sydney Gateway facility at Sydney Airport. The Gateway space will close to double in size, utilising the space that was vacated by our Sydney Service Centre in September 2020 when it relocated to a new $50-million site in Mascot.

In Q4 2021 and Q1 2022, the upgrade of our Brisbane Gateway and Service Centre will also be completed. This upgrade will bring the facility 148% more floor space and it will be able to process twice as many shipments per hour when it opens.

In 2022, we will continue to develop our facility plans for Melbourne and Adelaide.

We will also continue to keep close tabs on the development of Western Sydney Airport.

In Australia, under the DHL brand of the Deutsche Post DHL Group there are four business units: DHL Express, DHL Global Forwarding, DHL Supply Chain and DHL E-Commerce Solutions.

Each year we plan for peak season by putting on additional flight services, and in 2020 peak season.


DHL's Gold Coast Service Centre

Queensland's regional "mega hub"

DCN's **Abby Williams** reports on new regional trade distribution centres in regional Queensland

The recent completion of the Queensland-government supported Regional Trade Distribution Centre (RTDC) at Toowoomba Wellcamp Airport has propelled both regional exports and plans for further development, offering advantages for local producers and freight owners.

The $17.8-million freight hub in Toowoomba is the first of two Queensland RTDCs to be completed, with Toowoomba Wellcamp Airport owner Wagner Corporation receiving funding.

The second funding recipient was Air Freight Handling Services in Cairns, for another RTDC currently under construction at Cairns International Airport.

The facilities will support rapid air freight access for regional Queensland's agricultural producers to key international markets.

BECOMING A "MEGA HUB"

Wagner Corporation envisions rapid growth of the TWTDC over the coming years and its capacity to become a trading centre.

Wellcamp Airport business development manager Jonny Arkins told *Daily Cargo News*, "We see this terminal becoming an intermodal mega hub for Australia for inbound and outbound cargo".

A mega hub is characterised by air, sea, and rail connectivity, which has effectively been secured for Wellcamp airport following the recent confirmation that the Inland Rail route will run through Toowoomba.

"The reason we're looking at a mega hub is because of the proximity to the Port of Brisbane, which would be the seaport; we would be the airport; and then there would be the rail corridor for connectivity through to Perth, Darwin, Townsville, Cairns, Sydney, and Melbourne," Mr Arkins said.

"Outbound cargo can come from around Australia and then get onto these planes for better connectivity for cargo flights in the Middle East, the Americas, and abroad.

"We want to take the pressure off the CBDs which will allow us to be receiving two big freighters per day. We can handle it," he said.

The new regional trade distribution centre at Wellcamp Airport, Toowoomba Queensland

REGIONAL ADVANTAGE

The TWTDC offers advantages for regional producers and freight owners, such as the cost and availability of export air freight services due to its capacity to handle multiple products and delivery destinations.

"One of the key benefits is increased volume and value of premium produce exported from Queensland to overseas markets," Mr Arkins said.

"It brings the produce from where it's actually grown, sourced, and procured."

The freight hub currently operates with Cathay Pacific and Singapore Airlines, with cargo transported to international markets three times a week.

"We've got three scheduled every week, and then we have ad hoc charters," Mr Arkins said.

Two of these flights are supported by the International Freight Assistance Mechanism, which allows freight companies and exporters to offset freight costs.

Toowoomba Wellcamp Airport has Queensland's only dedicated 747-8F international freighter service, as no other Queensland airport can facilitate such large freight aircraft.

"We have that every Tuesday night, and it comes into Wellcamp and takes off with roughly 50 to 60 tonnes of produce from this region on that flight alone."

Mr Arkins said the turnaround time on a 747-8F flight is just shy of two hours at Wellcamp airport, meaning the aircraft can land, unload, and be back up in the air again within two hours.

Less than two months after the official opening of the TWTDC, plans for increased performance and future expansion are already taking shape, beginning with imports and time sensitive cargo.

"We're seeing a lot of inbound cargo coming into CBD locations and having time delays of roughly two to four hours of getting that cargo off the plane," Mr Arkins said. "We're aiming to get that cargo off within 40 minutes of the plane landing, and we can have it loaded onto trucks in the same amount of time.

"With no curfews, we can actually land at one or two o'clock in the morning, and have that aircraft come in and still have the items delivered before midday."

Garry Wilkinson

MELBOURNE

The Port of Melbourne commissioned a comprehensive report detailing the container supply chain web that emanates from the port. It provides a detailed snapshot of how the inner workings of container logistics are connected to the port **Ian Ackerman** writes

Port of Melbourne is the largest port in Victoria and the busiest container port in the country. However, it is beset by logistics issues due in large part to the fact that it is located in the centre of one of Australia's biggest cities. This is the case with many ports around the world.

There are many ways to address issues of freight in urban areas, but these require up-to-date and accurate information on freight movements and trends. It is for this reason that the Port of Melbourne commissioned the second Container Logistics Supply Chain Study.

This type of container tracking report has not been undertaken by the port since 2009, and the Victorian supply chain has seen significant changes since then.

Port of Melbourne CEO Brendan Bourke said of the study is a significant investment by Port of Melbourne.

"We committed to the project because we recognise the need to provide an up-to-date picture on container movements along the supply chain across all of Victoria and interstate," he said.

THE NUMBERS

Broadly, the report shows a shift in the final destination of import goods.

It found that the majority of containers (94%) carrying import cargo through the port's international terminals went to importers located in the metropolitan Melbourne area. The largest portion of these (37%) went to the outer western suburbs including Derrimut and Truganina.

And 27% of these import containers went to the outer south-eastern suburbs such as Dandenong South and 16% went to the northern suburbs.

Greg Brave

Part of the Port Melbourne

A PORT WITH A PLAN

From an export perspective, the report shows Warrnambool and Mildura as key drivers of Victorian exports that move through the Port of Melbourne. The South Western Corridor produces the most export containers in the state.

The report also shows that the rail mode share at the port decreased between 2009 and 2019. While more containerised freight was moved by rail in 2019 (138,000 TEU compared with 135,000 TEU in 2009), the rail mode share fell to 17% in 2019 from 20% in 2009.

Mr Bourke said it is clear that container volumes are growing and consumers are importing more goods from overseas.

"Strategic transport planning to meet these increased freight needs is necessary across metropolitan Melbourne and especially in the west where we see the key hub of Victoria's supply chain growing," he said.

"The report also points to continued growth of container movements in the west of Melbourne. The amenity of residents and port buffer zones separating industrial and residential locations are important considerations for industry and government alike."

In a speech during the launch of the report, Victorian minister for ports and freight Melissa Horne said container management is important because 75% of the port of Melbourne's trade is containerised, representing about three million TEU annually.

"The study shows Melbourne's outer western and south-eastern suburbs are receiving more than two thirds of the state's container imports," she said.

"This highlights the importance of the port-rail shuttle network, with rail freight hubs in Altona, South Dandenong and Somerton an increasing rail share of the metropolitan container freight task."

Ms Horne said given the strengths western Melbourne's manufacturing and logistics sectors, it's no surprise that the freight task has increased.

"More than a third of containers travelled to the inner west, which means Truganina is the best location for our interstate freight terminal, and we'll work with the Commonwealth to start planning for this," she said.

"More than 40% of the port's international and mainland export container trade is made up of empty containers. The report tells us by 2030, empty containers will likely become the largest export from the Port of Melbourne."

THE GLUE OF CONTAINER TRANSPORT OPERATORS

The study highlights the role that container transport operators play in the supply chain.

The study found that 82% of import containers are staged, predominately via transport yards on their journey between international container terminals and final delivery to importers. And, 40% of export containers are staged prior to delivery to terminals for vessel loading.

The study also found that higher productivity freight vehicles, such as super b-doubles and a-doubles, account for 40% of visits to container terminals at the port, while semi-trailers account for 39%.

Also, increasing numbers of empty containers are being staged before transport operators can secure bookings to de-hire import empties or deliver empties to exporters for packing.

Container Transport Alliance Australia director Neil Chambers said the study's findings reinforce the vital role that container transport operators play as the glue that keeps the container logistics chain functioning.

"The investment and commitment of transport operators in the container logistics chain needs greater acknowledgement – by governments and by other industry stakeholders," Mr Chambers said.

"Investments in land, yards, systems, modern, efficient, safe, and more environmentally friendly transport equipment, and people, have been significant. Container transport operations are capital intensive, yet operating margins are thin. Container transport operators deserve a decent return on those investments, just as others in the supply chain do as well."

GROWTH IN METROPOLITAN FREIGHT

Nearly all (94%) import containers have a delivery address in metropolitan Melbourne (up from 87% in 2009), while 64% of full export containers are generated in metropolitan Melbourne.

"The growth of activity in the western metropolitan areas has been significant, while volumes are also still strong in the south-eastern metro areas," Mr Chambers said.

"This justifies the significant investments which continue to be made by transport operators in these areas of Melbourne to service the container logistics chain."

Ms Horne also pointed to the fact that more containers are being staged at depots, more containers are going to Melbourne's west and more containers are moving by road.

"[This] combined with the fact that so many empty container parks are located in the inner west, the result has been a perfect storm for residents of the inner west," she said.

"As we move to 24/7 curfews in the inner west on the opening of the Westgate Tunnel, we need to look at whether many of these parks are still viable in their current locations.

"I look forward to this report triggering a broader debate on how we can stage import containers and how we can manage and store empty containers."

Ms Horne said projects like the Westgate Tunnel, the port rail shuttle, on-dock rail and the re-development of the Melbourne Market site will all have a significant impact on the container supply chain in the city and across the state.

"These developments will have an impact on the way containers move around Victoria and around Melbourne," she said.

"And these developments will answer some but not all of the questions about how we can get greater efficiency into the supply chain, as well as tackle some of the amenity issues that demand our attention."

Ian Ackerman

BRENDAN BOURKE ANNOUNCES HIS RETIREMENT

Port of Melbourne CEO Brendan Bourke has announced he will retire by the end of the year.

The PoM Board has announced that Saul Cannon has been appointed as the new CEO at PoM and will start on 15 November 2021. Mr Cannon has previously served as CFO at Toll Group. He has also held leadership roles at Asciano and Telstra, among others.

Mr Bourke joined the Port as CEO in 2016, just after the awarding of the 50-year port lease to the Port of Melbourne Group.

Since that time, Mr Bourke has led significant programs and projects including the Port Development Strategy that outlines how the port will adapt to growth over the next 30 years.

Under Mr Bourke's leadership, PoM also delivered a port rail strategy that will provide a new on-port rail terminal to grow the volume of containers that move by rail.

PoM chairman John Stanhope said, "Brendan has demonstrated outstanding commitment and leadership to PoM and I want to publicly thank Brendan for his service in ensuring the port continues to perform its essential role in facilitating trade and contributing to the state's economy".

Mr Bourke helped improve operations and strengthened the approach to safety by implementing the port's Integrated Management System, which includes four ISO certifications covering asset management, environmental management, occupational health and safety, and quality management systems.

Mr Stanhope said, "I wish Brendan well in his retirement and am confident the port and port freight supply chain community will benefit from his valued leadership and achievements delivered over the past five years".

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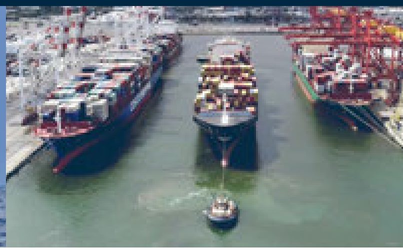

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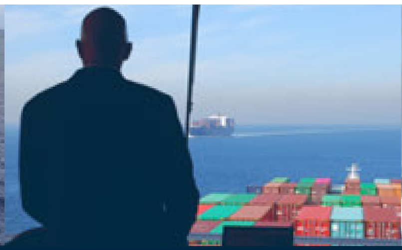

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GROWING A PORT

GeelongPort is looking towards a bright and sustainable future – it is soon to be the northern port for the Spirit of Tasmania service, cargo throughput is steady and it is implementing a raft of innovative sustainability measures

GeelongPort is becoming an ever-more dynamic fixture in the Victorian freight space. The port is soon to be the northern home of the Spirit of Tasmania ro-pax service. GeelongPort is also doing significant work towards environmental sustainability.

CARGO THROUGHPUT

Trade volumes at the port have been dynamic over the past several years, with significant increases in some commodities and decreases in others. Over the past six years, the port has handled an average of 11 million tonnes of cargo per year.

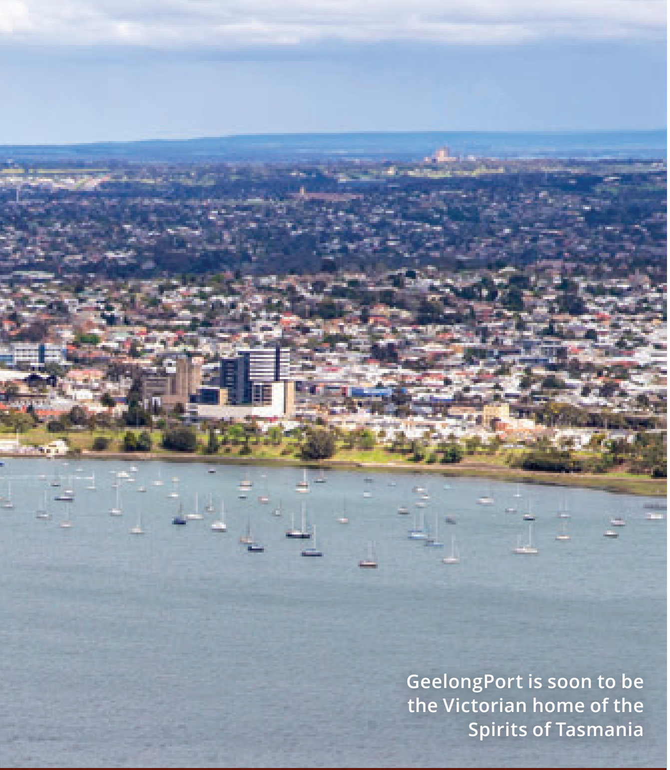
Over the past financial year (2020-21), Geelong Port handled 10.8 million tonnes of freight. This is a decrease of 6.4% on the 2019-20 financial year. And this decrease was largely driven by a precipitous decrease in general cargo throughput in 2020-21. General cargo decreased by 96% to 48,650 tonnes.

Continuing to compare 2019-20 throughput with the past financial year, there was a 30% increase in woodchip throughput to 889,894 tonnes last year, a decrease of 1.5% in liquid bulk to 6.7 million tonnes and increase of 15% in other dry bulk to 1.4 million tonnes.

GeelongPort CEO Brett Winter said after experiencing the impacts of COVID-19 on some trade commodities in early 2020, the port has bounced back strongly.

"Our fertiliser trade finished at 1.7 million tonnes for the financial year, the strongest we have seen it for

GeelongPort


GeelongPort is soon to be the Victorian home of the Spirits of Tasmania

GEELONG

more than 10 years due to some stellar agricultural conditions, and this also contributed to a bumper grain season and outstanding volumes of grain moving through the port early in the year," Mr Winter said.

"More than 600,000 tonnes of cement clinker came through the port in 2020-21 and this is expected to continue to climb in coming years as Boral Cement, Australia's largest building and construction materials supplier, works toward finalising the construction of a new clinker grinding and cement facility at GeelongPort."

Mr Winter said the facility would be connected to Lascelles Wharf with a conveyor system, which will provide substantial discharge and processing efficiencies.

"A result of a long-term agreement between GeelongPort and Boral Cement, the new facility will allow Boral to increase its capacity to meet future Victorian infrastructure demand, and expand Boral's product offering to its customers," Mr Winter said.

"GeelongPort has also played an integral role in the development of various wind farms across regional Victoria over recent years with general cargo largely attributed to this trade in recent years. We are seeing imports of wind turbine parts coming through the port which is contributing to an increase in general cargo in 2021-22."

TOWARDS A GREENER PORT

Mr Winter said GeelongPort recognises the importance of playing a lead role in responding to the impacts of climate change by investing in port assets and services that not only guarantees the long-term sustainability and resilience of the port itself, but also the many businesses, communities and individuals that rely on us so heavily.

One of the key initiatives the port is undertaking in this area is making the voluntary commitment to reduce its greenhouse gas emissions as part of the Science Based Targets initiative.

"GeelongPort is aspiring to become the most environmentally sustainable bulk port in Australia and is committed to undertaking our activities with care and respect for the environment," Mr Winter said.

"We were the first port in Australia to make the voluntary commitment to reduce our greenhouse gas emissions as part of the Science Based Targets initiative, setting a target consistent with reductions required to keep warming to 1.5 degrees Celsius. This includes reducing our direct and indirect emissions by 50% by 2030 and to monitor and reduce our indirect value chain emissions.

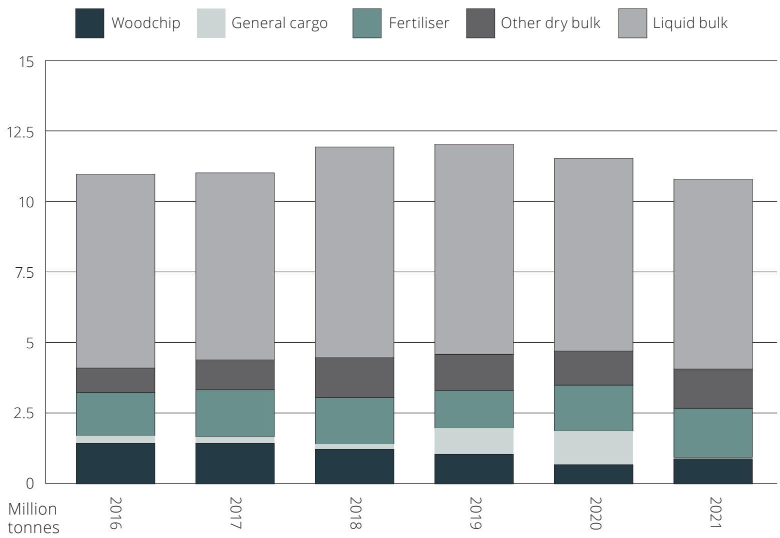
"We recently released our first SBTi report and are happy to have made a 15% reduction in our Scope 1 and Scope 2 emissions from a 2018 baseline year, which equates to one year of energy use from just over 50 homes."

Another sustainability initiative at GeelongPort is its transition to 100% renewable energy and zero net emissions through the Barwon Region Renewable Energy Project.

Geelong-based organisations Barwon Water, Barwon Health and GeelongPort have joined forces to transition towards 100% renewable electricity and zero net emissions through a newly formed Barwon Region Renewable Energy Project (BRREP) collective.

"The BRREP launched a Request for Proposal (RFP) in August from renewable energy project developers for provision of 68 gigawatt hours a year of renewable electricity via a virtual Power Purchase Agreement (PPA)," Mr Winter said.

CARGO THROUGHPUT AT GEELONGPORT BY FINANCIAL YEAR



Source: GeelongPort

Concept design images for the new Spirit of Tasmania terminal at Geelong

GeelongPort

"The collective is seeking to enter into a 10-year virtual PPA with a wind energy facility generating electricity into the grid, preferably in South-West Victoria. The PPA is proposed to operate from late-2022 through to 2032."

Mr Winter said GeelongPort is continuing to work with several proponents on potential alternative fuel options as Victoria looks to transition to cleaner energy.

"Investigations into these options are still underway and, as such, details including timeframes are still being defined," Mr Winter said.

ARRIVAL OF THE SPIRIT

Last year, GeelongPort and TT-Line reached an agreement to relocate the Victorian port home of the *Spirit of Tasmania* vessels from Station Pier in Melbourne to Corio Quay, north of Geelong.

Mr Winter said the port is excited to be welcoming *Spirit of Tasmania* to Geelong next year.

"The arrival of *Spirit of Tasmania* is an enormous opportunity to grow Geelong's economy, boosting trade and investment opportunities in the tourism, hospitality, agribusiness, manufacturing and logistics industries as the region continues to recover from the COVID-19 pandemic," he said.

"GeelongPort, as Victoria's second largest port, is well connected with easy access to the Princess Freeway, Avalon Airport, Victoria's rail network and popular tourism destinations. Relocating *Spirit of Tasmania* to Geelong will provide a vastly improved experience for the 450,000 passengers who travel between Victoria and Tasmania annually, plus it will enhance critical freight, whilst also creating 75 new jobs through construction and bring more than 100 ongoing jobs to the local area once operational."

Mr Winter said the relocation will continue to raise the profile of the greater Geelong region as a world class inclusive destination and key gateway to Victoria and deliver substantial tourism and economic benefits.

It is expected to increase tourism expenditure by $57.3 million in Geelong and by $174.1 million in Victoria by 2029-30.

The new 12-hectare dedicated Spirit of Tasmania site will include a purpose-built passenger terminal building, a passenger vehicle marshalling area for 600 cars, a parking area for 150 trucks, more efficient passenger vehicle check-in, security facilities, public amenities, crew accommodation, a café and children's play area.

GeelongPort and Spirit of Tasmania recently unveiled design images of the new passenger terminal building. Construction is slated to be completed next year.

Mr Winter said he was pleased to have completed the design phase of the project.

"A lot of thought has gone into the design of the terminal building with inspiration for the building's design being drawn from the beautiful landscapes that Tasmania is famous for," he said.

"The final design is both striking and functional and it will provide the hundreds of thousands of visitors to Victoria and Tasmania every year, a contemporary, comfortable and streamlined experience as part of their voyage."

Spirit of Tasmania chief executive officer Bernard Dwyer said, "We are very pleased with the new terminal design and how the architectural features reflect the company's long Tasmanian heritage.

"This building will be a place our staff will be proud to work and our passengers will love to come as they embark on their journey to and from Tasmania.

"Our employees will benefit greatly from the new office facilities, crew accommodation and staff amenities that have been purpose built to meet our requirements for now and in the future," Mr Dwyer said.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A looming legal drone problem

The increasing use of drones for maritime applications raises some uncomfortable legal questions around liability, insurance and who pays for what when things go pear shaped. **Ian Ackerman** spoke to lawyer Maurice Thompson about the issue

THE BUZZ OF DRONES IS BECOMING more commonplace everywhere, including in the maritime industry. These buzzing innovations can bring tremendous gains in terms of safety and efficiency in a wide range of applications in the maritime space. However, there are myriad legal questions about liability if things go wrong when using a drone in a maritime application.

Clyde & Co partner maritime specialist lawyer Maurice Thompson said a few years ago, clients across a range of maritime industry sectors began to pivot into the use of drones.

"The question used to come frequently to me back then if something happens, are we covered for this with our insurance; and typically, the answer is no, you are not," he said.

"Drones are a Pandora's box that the government hasn't been asked to look into and there hasn't been the discussion had. Everyone is thinking 'great, drones development, this is fantastic', but nobody's thinking about what the impact is going to be."

Mr Thompson said while drones are aircraft, they require a different approach from regulators and insurers because they operate differently to traditional aircraft.

"Drones don't fly a kilometre and a half above the populace, they fly through urban environments, in the holds of ships or around the topside of an oil rig," he said.

Mr Thompson said because drones are aircraft, but not used in the traditional way, regulators haven't been able to effectively regulate them because they don't yet understand the risk factors involved in operating drones.

Meanwhile, the industry is not waiting for regulation or legislation, they're just pushing ahead with research and development because it's making such an enormous positive impact on their bottom line," he said.

"For instance, if you do a survey on an oil rig platform – that might take you 60-100 days, depending on the rig – bits of the rig can't be used while you're doing the survey. If that rig is being hired out for US$1 million a day, that's potentially 60 million bucks."

But Mr Thompson said an oilrig topside survey with two drones and two drone pilots could take as little as three days.

"The marine sector, possibly more than any other sector now, is engaging heavily in this space to utilise this new technology," he said.

"It's cost-saving, it reduces risks, and in some instances, it creates a new stream of work entirely. But they are doing it with the belief that the regulators have everything under control."

Another issue with drones in the maritime sector stems from the potential clash of maritime and aviation law.

Mr Thompson laid out a hypothetical situation in which an incident occurs during a drone-assisted pilotage operation, causing an oil spill at a port.

"What happens in terms of liability? Normally, there would be a limitation of liability for the shipowners as per international convention," he said.

"However, in the aviation world, there isn't limited liability for air carriers – there's in fact unlimited liability. This means if there is damage caused by an aircraft, the owner generally pays whatever the cost."

This scenario, Mr Thompson said, would set up a potential clash between aviation law and maritime law whereby liability in the incident would have to be determined.

"At the moment this discussion is not being had at the global industry level, and I think it's a discussion that needs to be had more and more," he said. ■

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The implementation of the RCEP comes ever closer

As the process of ratification and implementation of the RCEP is progressing, trade law expert Andrew Hudson takes a close look at the agreement

I HAVE PREVIOUSLY WRITTEN at length on the Regional Comprehensive Economic Partnership Agreement (RCEP) both on its own account and as part of Australia's wider free trade agenda. That has included presentations to members of industry on the significant issues associated with the movement of goods under the RCEP, as well as work with government agencies on the rules of origin, means to certify origin and claiming preference, as well as dealing with associated issues such as consignment and cumulation issues.

RCEP: WHAT IT IS

The RCEP is known as a plurilateral trade agreement between Australia and China, Japan, New Zealand, South Korea and the 10 members of the Association of South East Asian Nations (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam). Of course, Australia already has many free trade agreements both bilateral and multilateral with some of the same parties, so the main benefits can be found in the size of the region covered by the RCEP and the potential to standardise rules and procedures across the region covered by the RCEP.

The implementation and entry into force of the RCEP depends on the relevant parties following their own domestic ratification of the agreement. In Australia, that process requires review by the Joint Standing Committee on Treaties (JSCOT), a positive outcome of that review and a recommendation that "binding treaty action be taken".

The review by JSCOT is informed by a national interest analysis (NIA) and regulation impact statement (RIS) and is open to commentary by governments, industry and labour associations and the public.

Even with general endorsement of a treaty by a majority, there are often additional comments or dissenting reports, which generally reflect the view of opposing political parties who are members of JSCOT.

Following endorsement by JSCOT, our practice is to then pass amending legislation to adopt the treaty, usually amendments to the *Customs Act 1901* (for the new rules of origin and certification requirements) and the *Customs Tariff Act 1995* (for a new schedule for the duty rates agreed pursuant to the relevant FTA). This often entails separate review by senate committees, providing opportunities for examination, commentary and objection. Once all the legislation is passed, the notification is provided to the other contracting parties to the FTA and once enough countries have ratified the treaty, it will come into effect.

The terms of RCEP and its benefits are set out in the website of the Department of Foreign Affairs and Trade here and earlier commentary by me.

THE PROCESS

Following the signing of the RCEP on 15 November 2020, Australia put its "entry into force" process including preparation of the NIA and RIS and review by JSCOT, which considered RCEP and released its findings in *Report Number 196* (Report) released in August 2021.

The process before JSCOT included reviewing submissions by interested parties and considering evidence given during hearings of the JSCOT. Ultimately, JSCOT endorsed taking "treaty action" on the RCEP and the list of majority recommendations included that:

- the government continue to pursue the restoration of civilian, democratic rule in Myanmar as a foreign policy priority, and consider making a declaration to this effect at the time of ratification; and
- the government continue to pursue the inclusion of labour, human rights and environmental provisions within the RCEP agreement at the time of the first review.

In addition to the recommendations set out above, there was also a dissenting report by the Australian Greens and "additional comments" by the Australian Labor Party. No doubt this will be followed by enabling legislation and further consideration by the Parliament and the public in a manner to enable the anticipated commencement date of 1 January 2022, which would coincide with the commencement of the HS 2022 reform and adoption of the new Harmonised Tariff.

The fact that the RCEP has survived the COVID-19 pandemic and the apparent shift towards enhanced protectionism indicates that the parties still believe there is merit in a rules-based multilateral agreement to facilitate trade.

The executive summary of the report recognises the wider significance of the RCEP beyond the normal market access outcomes as follows:

RCEP is not a particularly ambitious trade agreement, and in terms of market access does not deliver much in the way of additional benefit for Australia. RCEP's significance, however, lies in the broad composition of its membership – accounting for almost one-third of the world's population and GDP – its reinforcement of ASEAN's regional leadership role, and its *simplification and harmonisation of rules of origin and other trading standards which should facilitate growing supply-chain integration.*

In particular, RCEP contains a single set of rules and procedures for Australian goods exporters to utilise RCEP's preferential tariff outcomes across the region, and increases opportunities for Australian business.

Similar benefits apply to trade in services, investment, intellectual property and electronic commerce.

RCEP'S SIGNIFICANCE

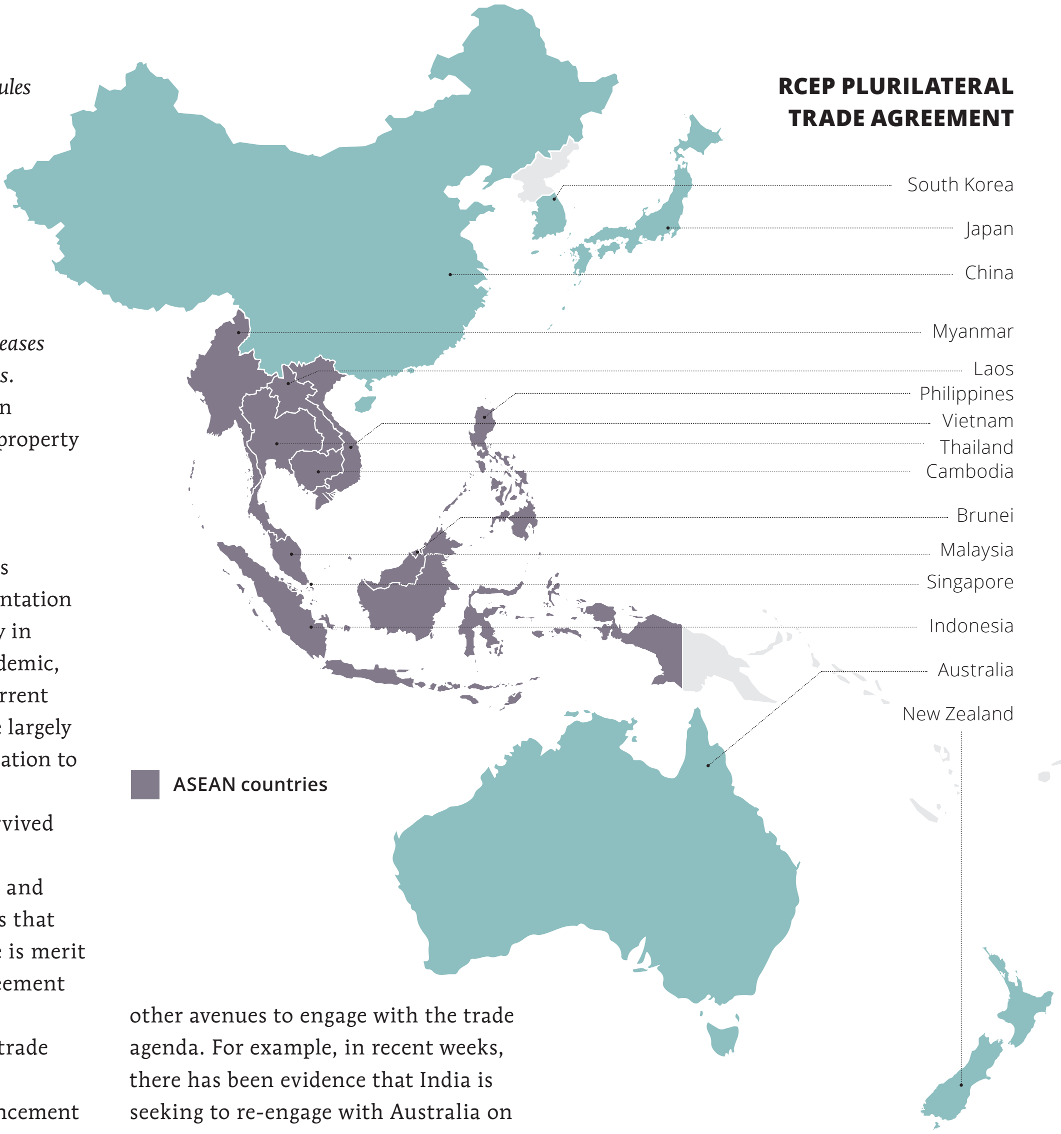
The progress with the RCEP and its impending adoption and implementation has a wider significance, especially in the context of the COVID-19 pandemic, its effect on regional trade, the current trade disputes with China and the largely mysterious position of India in relation to liberalising trade.

The fact that the RCEP has survived the COVID-19 pandemic and the apparent shift towards enhanced and increased protectionism indicates that the parties still believe that there is merit in a rules-based multilateral agreement to facilitate trade. That, in itself, represents some confidence that trade does indeed conquer all.

China has pursued the commencement of the RCEP, despite its own trade and political issues with many of the other parties to the RCEP, including Australia.

The RCEP commits China to a multilateral process for trade liberalisation, even in the face of its own political bilateral agenda conducted through the Belt and Road Initiative. At the same time, China is now engaged in disputes before the World Trade Organization with Australia and others. These facts alone suggest that China may not have totally abandoned an entirely protectionist position on all matters, especially when it perceived the deal is in its interests.

India's decision to withdraw from the RCEP is consistent with its earlier failure to engage in negotiations for the TPP and the CPTPP. At the same time, it has adopted measures the subject of complaints at the WTO. While those decisions suggest that India continues to isolate from regional trade liberalisation in the pursuit of its own interests, there have been suggestions that India is trying



other avenues to engage with the trade agenda. For example, in recent weeks, there has been evidence that India is seeking to re-engage with Australia on a bilateral trade liberalisation agenda. Even if those negotiations may support a bilateral deal with Australia in some form, it is hard to decide what could now be in such an FTA, given India's withdrawal from earlier bilateral and multilateral negotiations.

While India represents a strong global influence, there needs to be a better understanding from the country that advances in its favour need to be met with concessions to others.

The commentary in the report gives some insight into the position of many parties in relation to the future conduct of the whole Australian FTA agenda under other leadership. Importantly in the context of our next federal election (likely in 2022), the position of the ALP members on JSCOT could become important including recommendations that labour, human rights and environmental provisions should be included at the time of the first review of the JSCOT.

The ALP commentary included a further opposition to investor-state dispute settlement (ISDS) provisions in FTAs. Although there is no ISDS provision in RCEP, the ALP members of JSCOT reiterated their objection of ISDS provisions in other FTAs, which could affect future negotiations with other countries under other FTAs if there is a change in government in Australia.

I will be continuing updates to industry in various forums including on our own and in conjunction with industry associations such as IFCBAA.

Stay tuned and feel free to contact us for details for details of engagement and education on the RCEP.

Andrew Hudson,
partner, Rigby Cooke Lawyers

Ian Ackerman

The new whale-safe ecolabel

Conservation group, the World Sustainability Organization, is leading the charge to protect whales from ship strikes with a new certification system for shipowners

UNDER THE CAMPAIGN NAME OF Friend of the Sea, the World Sustainability Organization (WSO), is urging shipowners to get onboard with a new certification system designed to protect the world's whale populations.

According to the group, the increasing size and speed of commercial ships, driven by economic interests, has resulted in a rising number of ship collisions with marine species, especially cetaceans (e.g. dolphins and whales).

Friend of the Sea marine scientist, Roberto Lombardi said, "It is a recognised problem, with records indicating that the phenomenon occurs worldwide".

Any size or type of vessel has the potential to collide with a marine mammal, not only commercial ships. The types of vessels documented in strikes include cargo ships, whale-watching boats, ferries, military vessels and all manner of private watercraft used for commercial and recreational purposes.

Whales can be difficult for a vessel operator to see because they are not always clearly visible from the surface. And even if the operator sees the animal clearly, there may be no time for either of them to avoid a collision.

"One way to address this issue is to separate ships and whales. In some places it's possible to actually move shipping lanes away from areas of known whale concentrations, which can help reduce the risk of these strikes happening," Mr Lombardi said.

"The next-best option is slowing down. Studies have shown that when ships slow down it reduces the probability of a strike happening by potentially giving the whale a bit more time to respond.

"And we've also found that slower speeds can reduce the lethality of the strikes."

There are recognised high-risk areas where shipping lines cross whale feeding and breeding areas, where the likelihood of collisions is higher.

"Whale populations in the low hundreds of individuals are at risk of continuing declines even if only a small number of ship strikes occur per year," Mr Lombardi said.

"Therefore, it is important to identify populations that are small, in decline or for which human activities result in whale deaths or injuries."

Larger vessels are mostly not even aware of hitting whales unless they appear on the bow of the ship when returning to port.

"We are still a distance away from being able to draw firm conclusions from the data at hand. This has always been a major issue when dealing with ship strikes, be it locally, regionally, or globally," Mr Lombardi said.

"Nevertheless, one of the main conclusions that can be drawn from research is that ship strikes are notoriously under-reported and under-estimated."

An internal estimate by Friend of the Sea, combining data from the International Whaling Commission and local data on lethal ship strikes, is that around 20,000 whales die from such collisions every year.

BECOME A FRIEND OF THE SEA

WSO is calling on the international shipping industry for immediate action to prevent ship strikes.

Shipping companies are invited to engage unilaterally, by signing a Friend of the Sea – Save the Whales policy, to have in place an onboard full-time marine mammal observation program, on all vessels. This system must constantly cover the area in front of the vessels (120 degrees minimum), including at night.

The policy also includes the use of an online platform onboard to be informed on spotted marine mammals near the ship lanes and planned path. Vessels can share whale observations in real time with an online platform to make this information available to all ships in the area and for statistical purposes.

And, of course, ships should have a procedure in place to react and avoid nearby marine mammals.

Friend of the Sea will promote Whales Safe-approved shipping companies and cruise lines to consumers and companies worldwide, recommending use of their services.

Promotion will be carried out by means of international media releases, direct communication with companies, events, trade shows and social media.

Nico Faramaz

The International Whaling Commission, in conjunction with the International Maritime Organization, has also produced an information leaflet with further advice to reduce the risk of collision between ships and whales. These guidelines cover topics related to passage planning, sightings, reporting of incidents, preventive measures and scientific research.

INDUSTRY RESPONSE

WSO has been in contact with several shipping and cruise line operators worldwide this year, engaging both CEOs and sustainability executives.

"With the more recent launch of the Whale Safe Certification we are looking for enlightened companies to boost the initiative worldwide and make a change," WSO founder Paolo Bray said.

Even though the Whale Safe project has been launched only recently, two main carrier companies – Seatrade and GreenSea – are already Friend of the Sea certified for sustainable shipping.

Seatrade is compliant with almost all the Whale Safe requirements, which are in great part included in the Friend of the Sea standard, so they will soon obtain the Whale Safe Certification.

Mr Bray said WSO was also undertaking audits with the view of certifying an additional two major shipping companies.

"We are also working with some companies to compensate their current impact with biodiversity offsets," Mr Bray said.

"In addition, in order to motivate shipping and cruise lines to comply with existing slow-down regulations and rapidly introduce onboard systems to further reduce risk of ship strikes, Friend of the Sea has carried out a study to analyse and rank shipping and cruise lines' engagement to reduce whale ship strikes."

Mr Bray said shipping companies including Carnival, Hapag-Lloyd, MSC, Evergreen, HMM, Regent, NCLH, Royal Caribbean and others, had been "very collaborative and appreciative of what we are doing".

Friend of the Sea has urged the Sri Lanka government, the World Shipping Council and the top ten shipping companies to submit a proposal to the International Maritime Organization to shift the current shipping lanes 15 nautical miles south.

Fatal collision rates in some areas like the southern coast of Sri Lanka have almost doubled in the past 40 years and whale populations have reduced by more than 50%. Shifting the shipping lane by 15 miles could reduce the risk of whale strikes by more than 90%.

"The Sri Lankan government has not moved in this direction yet and Blue Whales keep on dying because of ship strikes in the area. Our organisation will continue to strive to bring about change," Mr Bray said.

According to WSO research, around 50% of the major shipping and cruise line operators have provided evidence of some engagement with the issue of ship strike.

This could involve slowing down in more than one high-risk area; establishing procedures when sighting whales nearby (altering direction or speed reduction); deploying voluntary whale strike preventing training programs; or minimising underwater noise pollution.

WHAT MORE CAN BE DONE?

Separating shipping lanes from areas of highest whales' presence is the optimal solution, but not easy to implement, at least in the short term.

"We would like to see all shipping and cruise companies undertake as soon as possible, measures to reduce whale ship strikes in all the world's oceans," Mr Lombardi said.

"Hopefully the Friend of the Sea ranking and the Whale-Safe certification will motivate companies to further engage in respecting slow-down areas and implementing preventative measures to improve their ranking.

"Slowing down to a speed, normally 10 knots, which would allow whales to avoid the ships, is a measure that can dramatically reduce lethal strikes and also reduce noise pollution," Mr Lombardi said.

Some countries, such as the United States, Canada and New Zealand, request or recommend vessels to slow down when navigating in areas with a likely higher presence of whales.

In other areas of the world, where shipping lanes overlap whales' habitat, the marine mammals are not protected.

"Friend of the Sea is urging the maritime industry to expand mandatory slow-down procedures to all these high-risk areas and to implement full time observation and reporting systems onboard," Mr Lombardi said.

Whales can suffer severe injuries and death as a result of collisions with ships

Image supplied

COMMON AREAS FOR SHIP STRIKES

	LOCATION	SPECIES
1	Sri Lanka	Blue whales
2	Hauraki Gulf, New Zealand	Bryde's whales
3	Canary Islands	Sperm whales
4	Panama	Humpback whales
5	Eastern North Pacific	Blue whales
6	MEDITERRANEAN SEA	
6.1	Strait of Gibraltar	Fin and Sperm whales
6.2	Balearic Islands	Fin and Sperm whales
6.3	Eastern Alboran Sea	Fin and Sperm whales
6.4	Pelagos Sanctuary	Fin whales
6.5	Crete	Sperm whales
6.6	Hellenic Trench	Sperm whales
7	NE coast of Sakhalin Island	Western gray whale
8	Arabian Sea	Humpback whales
9	Chile, Peru (Southern Pacific)	Right whales
10	Eastern Bering Sea	North Pacific right whales
11	Western Arctic (US and Russia)	Western bowhead whales

The mission's biennial conference was carried out digitally this year

MtS moving forward

The Mission to Seafarers held their Biennial National Conference in September. **Alison Evans** reports on the key takeaways

SEPTEMBER 2021 SAW THE MISSION to Seafarers Australia go global for its Biennial National Conference. Registrants from Canada, England, Myanmar, Hong Kong, India, Japan, Kenya, Malaysia, New Zealand, South Korea, Indonesia, Wales, Bermuda, Thailand and Brazil demonstrated the increased connectivity that has become a feature of the pandemic joining Australian delegates (in their own states, centres and homes when under restrictions) by Zoom to discuss moving forward after 18 months of COVID-19.

More than 120 people (also from Stella Maris, the Australian Mariners Welfare Society and Sydney Bethel Union) were drawn together by their need to support and minister to seafarers discussed ideas and suggestions.

The shadow of COVID-19 was never far away during the conference. There were stories of people being unwell, seafarer injustice and ill-treatment, despair and devastation, restrictions and regulations. For staff and volunteers of seafarer welfare organisations, the feeling of helplessness and being distant from seafarers has become our reality.

But the theme of "moving forward" was in recognition of our need to begin to write a new story to sustain and help seafarers, a story that ensures that government, industry and the public really see and hear from seafarers for who they are: individuals carrying out essential key work to keep our economies going and our families well-supplied.

David Parmeter, chairman of the Australian Mariners Welfare Society spoke of its history and renewed focus on providing financial support and assistance to various seafarer welfare organisations around Australia and education centres that provide facilities for students to study maritime disciplines. MtS and Stella Maris centres across Australia benefit greatly from the society with grants for transport, IT and infrastructure.

The work of AMSA is highly regarded around the world. Seafarers approach AMSA directly or through MtS with concerns and complaints knowing that AMSA will respond. Dr Michelle Grech, manager, vessel operations at AMSA and chair of the Australian Seafarers Welfare Council highlighted the significant increase in complaints in 2020, largely due to the crew change crisis and employment issues. The role of ASWC in co-ordinating a national approach to the vital human aspect of shipping was discussed and Dr Grech explained the results of a study by researchers in Sweden, the UK and Australia on understanding the effects of COVID-19 on seafarers.


Rev'd Canon Garry Dodd, regional director of Australia and Papua New Guinea, Mission to Seafarers


Rev'd Canon Andrew Wright, secretary general, Mission to Seafarers

Secretary general of the Mission to Seafarers Rev'd Canon Andrew Wright joined the conference from London. He reminded delegates that while our work was rooted in more than 160 years of history, we had to question whether our model of working would be appropriate in the future. He encouraged all participants to build a sustainable future that prioritised partnership and explored new opportunities. He also congratulated MtS Australia on its magnificent work to support seafarers despite the pandemic.

Australia's "best entrepreneurial educator", Dr Marcus Powe, questioned the essence of what MtS Australia did, noted that many charities were seeking funding and advised that we needed to connect with people emotionally and intellectually. With support from the highest level of an organisation, an innovative team that had recognised milestones and a plan with strategies and tactics would deliver success.

In the final session, Rev'd Canon Garry Dodd, MtS regional director of Australia and Papua New Guinea, encouraged staff and volunteers to be courageous in their thinking about "moving forward". The pandemic had resulted in significant operational changes at high speed, as centres pivoted from bringing seafarers ashore to developing online mission shops and adopting a shop-and-drop strategy to meet public health requirements.

This first Zoom conference for MtS Australia ended with a video of seafarers, volunteers and staff. Images of the past two years – masks, idle buses and care packs – reminded us of the human element of shipping, these essential workers, our seafarers.

Our thanks to the Australian Mariners Welfare Society and Optus for their sponsorship of the conference, to our speakers, facilitators and attendees. Only one question remains – where to in 2023?

The grill

Peter Ernst from the Port Authority of New South Wales spoke to *DCN* about the highlights of his maritime career, the role of ports in communities, and his adventures in southern Italy

What do you do in your role at the Port Authority of New South Wales?
My role is head of operations, Port Kembla and south coast, but I also assist the Newcastle operations in various initiatives. Safety is our priority across the port authority, but what I do is pretty much a general management role. Internally, it's oversight over people and assets, whereas externally, it's customers, stakeholders, strategy, and growth opportunities. My role is pretty much spread up and down the entire east coast of New South Wales.

How have the ports been handling changes and challenges faced over the past couple of years?
I have some oversight in Eden, which is the next largest commercial port south of Port Kembla. There's a very heavy focus on the wood trade down there. They really copped it during the bushfires, so we went into a real recovery space to try and facilitate their operations. Another large focus down there is cruise, but then the bushfires stopped the vessels going there, and now the pandemic has stopped cruise in general. So hopefully, post-pandemic, cruising will become a large focus in that region again.

What do you love most about your current job?
I love the variability of it. It's pretty dispersed geographically. It takes me five hours to drive to Eden, and it's a three-hour drive to Newcastle. It's fairly spread out in that regard, but in a general management role as well, there are a lot of touch points, such as people management, asset management, and project management. The community is pretty cool too, and ports are a large part of the community. When you've got a functioning port that provides a lot of jobs, industry, and advantage to the community, it receives a lot of attention, and the community wants you to be successful. I think that's what I love about it.

How did you come to be working in the maritime industry in the first place?
I'm Illawarra born and raised, so I started working in Port Kembla as a teenager. I moved around between departments at a young age, and I went from manufacturing into logistics, and then found my way into the shipping and port management space. From there I've had some pretty great opportunities to work for massive companies like BHP and BlueScope. Before joining the port authority, I had a five-year stint with Maersk through Svitzer. Once I started working there through the Port Kembla link, I didn't have a desire to work anywhere else. The maritime industry is awesome.

What has been your most exciting, interesting, or adventurous experience while working in the maritime industry?
When I was working with Svitzer prior to joining the port authority, I was asked to relocate to WA to eventually take up a chief operating officer role with the company. I had the opportunity to travel around WA every week. I saw lots of new places in SA, and I was in Darwin every six weeks. Papua New Guinea was another place that was really interesting to visit, but it could be really challenging at times. Going to sea with those guys and servicing the oil industry out at sea, there's a level of adventure that comes with that. I'm not a mariner, so for someone like me who's always been land-based, it was a really great opportunity.

When life starts to get full on, how do you like to unwind?
We're lucky to live a couple of minutes from the beach, so you'll find my family and I down there fairly regularly. Port Kembla beach is the best beach in the world, in my humble opinion. I play golf at least once a week, and I love watching the English Premier League, in particular my team Chelsea. When I lived in London, I used to go to their games quite regularly, so I still like to unwind watching it – if they win. I wouldn't say I unwind if they're losing. Apart from that, a good bottle of red wine and a rugby game, but again, so long as the Waratahs or the Wallabies aren't losing.

If you could spend three weeks in any country, where would you go and why?
I could choose just about anywhere in Europe, but for me, Italy would be my go-to. Nothing can beat the sights, the history, and the food. There's a place called Calabria, which is down south and has a whole bunch of unknown beaches. My wife's family comes from a little Italian town with rock roads and concrete rock shanties, and there's a beautiful beach down there. It's less complicated down there. People don't seem to walk with pace. It's just a much more relaxed place. You could basically plonk me down anywhere in Italy and I reckon I could find a place to settle in.

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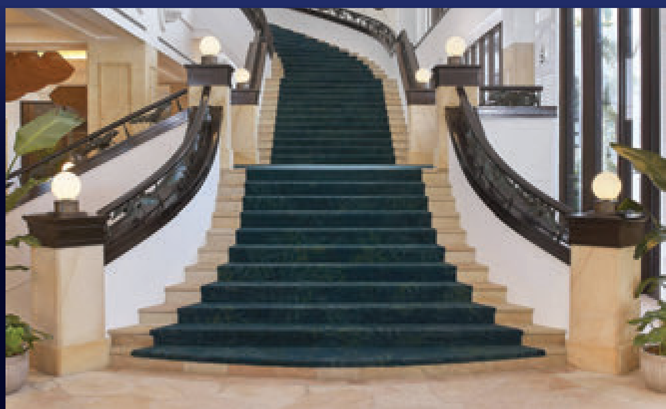
Member for McPherson, Minister for Home Affairs

HON. DAVID LITTLEPROUD (Keynote Address)
Member for Maranoa, Minister for Agriculture, Drought and Emergency Management, Deputy Leader of the National Party

MICHAEL OUTRAM, APM
Commissioner, Australian Border Force

ANDREW HUDSON
Partner, Rigby Cooke

TIM FITZGERALD
Assistant Commissioner, Operation Coordination and Planning Command ABF



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