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

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

ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network. To access past newsletters and other useful information go to the ICHCA Australia website at [www.ichca-australia.com](http://www.ichca-australia.com). The ICHCA international website is at [www.ichca.com](http://www.ichca.com). To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at [peter.van-duyn@ichca.com](mailto:peter.van-duyn@ichca.com) or telephone 0419 370 332.

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## ICHCA Australia to be a part of MEGATRANS 2020



ICHCA Australia will be holding a one-day conference as part of the MEGATRANS 2020 event in Melbourne on Wednesday 1<sup>st</sup> April 2020. Topics for discussion will include the impact on shipping and ports of the new IMO 2020 low sulphur fuel oil; container packaging and its inherent dangers; automation in cargo handling; and forms of transport.

More information can be found on the Megatrans website: [www.megatrans.com.au](http://www.megatrans.com.au). Sponsorship packages and speaker opportunities are still available.

For further details, please contact Peter van Duyn.

## Changes at the ICHCA Australia Board

David Bendall recently resigned from the ICHCA Australia (IAL) Board. David is a long-serving board member of both IAL and ICHCA International (IIL). He was Chairman of the board at IIL for several years and was instrumental in making major changes during challenging times.

David joined the board of IAL in 1983 as treasurer and shortly after became the Australian (and NZ for a few years) representative on the IIL board. In the 1980s there were about a dozen countries represented on the international board.

David organised and delivered two Sydney conferences at the Hilton Hotel, one in 1993 for IAL and one in 1998 for IIL. David remembers the 1998 conference as one of the most financially successful ever as, due to a flooding event, the conference floor was covered with an inch of water, which led to a lot of reorganising of venues and the Hilton Group cancelling all charges for accommodation, catering, and the conference venue. Another story David fondly recalls is that the Miami conference, which was held around the same time, was sponsored generously by the Port of Miami with the chairman of the port imprisoned for corruption shortly afterwards.

In farewelling David, John Warda, chairman of IAL said, "On behalf of the board of ICHCA Australia, I would like to express our extreme gratitude for the contribution you have made to IAL over many years. Furthermore, your role as Chairman of IIL during some trying times and the leadership shown by you to resurrect IIL at that time has not been forgotten and you leave the organisation in a better place today, albeit in ongoing challenging times for NGOs."

## ICHCA International conference in Malta November 2019

Recently I had the pleasure of attending the ICHCA International 20/20 Cargo Vision conference in Malta. I was invited to give a presentation on sustainable shipping. My previous visit to Malta was in 1977 when, as a fresh-faced third mate, I dry-docked for three weeks with the Shell Tanker *M/V Diadema*. While the damaged propeller shaft was being replaced, I had a chance to explore the island. Looking at my old photos, a lot has changed in Malta since then. The conference was held in the Hilton Malta Hotel in St Julian, one of the many hotels that have sprung up along the coastline to cater for millions of mainly Northern European tourists who come and enjoy the year-round sunshine and Malta's rich history. In fact, Malta's main source of income these days is tourism and the associated wagering activities, providing income for the nearly 500,000 residents. Malta is also a safe haven for many superyachts and has a large commercial ship registry (ranked sixth in the world), due to its favourable tax regime and relaxed regulatory environment.



The day preceding the conference included a tour of the Malta Freeport terminal in Marsaxlokk. The terminal was initially set up by CMA CGM (who still own 51%) in 2004 and now handles 3.3 million TEUs (mainly transshipments) per year. Malta Freeport was one of the main sponsors of the conference.

*Overview of the Malta Freeport terminal*

The tour was followed by an icebreaker reception that evening. Due to my 30-hour trip travelling to Malta from Melbourne via London, I retired early and did some preparation for my presentation on sustainable shipping.



On Day One, about 150 delegates from 23 countries heard the Hon. Dr Ian Borg, Minister for Transport, Infrastructure and Capital Projects, open the conference. He described the economy of Malta and its maritime-related activities such as ship repair and the numerous cruise vessels that call at Valetta.

This was followed by the keynote address, given by Ms Heike Deggim, Director Maritime Safety Division, International Maritime Organization (IMO).

*Hon. Dr. Ian Borg, Minister for Transport, Infrastructure and Capital Projects, Government of Malta giving the keynote address*

The rest of the morning was spent listening to experts from all over the world talking about progress that is being made in automation, both ashore and at sea, and the effects of automation on the workforce. One of the issues in an automated environment is cybersecurity where a breach in the communication systems can result in major downtime in the operation.

After the lunch-break there were several presentations on the progress of health and safety in the cargo handling industry and the potential improvements that automation could make. Unfortunately, still too many people die each year whilst working in the maritime industry, be it on ships or on shore. Each session was followed by a panel discussion and an opportunity for delegates to ask questions.

On the evening of the first day a cocktail party and awards evening was held at the historic Casino Maltese (a 19<sup>th</sup> century building now used as a gentlemen's club, which was heavily damaged by bombing in WW2 but is now magnificently restored to its former glory).

Two awards were given out at the event: the third TT Club Innovation in Safety Award, which attracted an international field of outstanding entries, won by a consortium comprising Künz, CSX Intermodal Terminals and Yardeye and accepted by Stephan Trauth of Yardeye. The LINX Cargo Care Group was the runner-up with their Virtual Reality Safety Training video. This award was accepted by ICHCA Australia Chairman John Warda on behalf of LINX.



The other award was the John Strang A.O. Memorial Award, launched in 2017 in recognition of the Strang family's long support of ICHCA. The award was presented by John's daughter Sallie Strang, a director of ICHCA international and ICHCA Australia, to Health and Safety Executive UK and accepted by Charles Oakley on behalf of the organisation.

*ICHCA Australia Chairman John Warda receiving the 'highly commended' Innovation in Safety Award on behalf of LINX Cargo Care Group*

Day two started with a focus on cargo handling in the Mediterranean and Africa and the influence of the One Belt One Road project, (funded mainly by China), on road, rail and maritime related infrastructure. Cargo integrity and supply chain safety was discussed at length with a focus on how we can reduce the high number of fatal accidents that are still occurring in the industry. After lunch, sustainability in container and bulk cargo shipping was discussed as well as how the industry recovers from major incidents such as flooding and earthquakes.

The introduction of low sulphur fuel for use in ship engines worldwide (which came into effect on 1 January 2020) was discussed at length with the expectation that the cost of bunker fuel would go up with a flow-on effect to shippers. The IMO has adopted a policy to reduce the total annual greenhouse gas emissions related to shipping by at least 50 per cent by 2050, compared to 2008. A number of shipping lines and ports have adopted a more aggressive target for reducing emissions.

The main part of the conference ended with a summing up of topics discussed and the lessons learnt. Conferences like these present a great opportunity to hear international experts giving their insights into what's happening in the cargo handling industry globally and present a great opportunity to catch up with peers in the industry.

On the third day, the ICHCA International Technical Panel (ITP) met with about 60 cargo handling experts to discuss challenges in the cargo handling industry and to share information about issues such as straddle carrier safety, bulk cargoes handling and dangerous goods. The ITP represents an impressive body of expertise in cargo handling safety, legislation and operational best practice. The Panel brings together experienced practitioners, legislators, consultants and other interested parties to debate and develop good practice in cargo handling worldwide. The ITP consists of five working groups each led by an expert in their field, such as automation, straddle carrier safety, dangerous goods, dry bulk cargo and supply chain incident analysis and reporting. They meet twice a year to discuss the latest developments in their respective fields and report to the wider industry.

Overall, the conference was a great success but I hope that the next one, to be held in 2021, will be closer to home. In the meantime, ICHCA Australia will hold its bi-annual conference in April 2020 in Melbourne as part of the Megatrans 2020 event.

*Peter van Duyn*

## **GlobeLink off the table**

THE announcement by the South Australian Minister for Transport and Infrastructure Stephan Knoll that the GlobeLink air-road-rail infrastructure plan will not proceed has been welcomed by the South Australian Freight Council. SAFC Executive Officer Evan Knapp said, "The freight industry is both pleased and relieved GlobeLink will no longer go ahead, and that instead other options will be explored. We look forward to consultation on the new approach in due course."

The multimodal concept, originally proposed in 2017, included a dedicated freight airport at Monarto and a toll-road and rail freight bypass ending north of Adelaide. A KPMG business case found GlobeLink was economically unviable, costing about \$7 billion with limited projected benefits and low demand. “The state government has accepted all recommendations in the KPMG report and will not be progressing the original GlobeLink proposal,” Mr Knoll said. “The government is clearly disappointed with the results of the business case, but it’s become clear that this particular proposal doesn’t stack up. With rail volumes unlikely to increase sufficiently in the future, the benefits of a new rail corridor are very marginal,” Mr Knoll said.

Mr Knapp said the original GlobeLink package would have done “significant harm to the freight industry in SA. This in turn would have increased costs for our customers, in particular the state’s exporters. It would have also cost billions – scarce infrastructure dollars that can now be spent on far more beneficial projects such as completing the North South Corridor and improving road maintenance.”

## **Praveen Reddy appointed executive director, Freight Victoria**

Mr Praveen Reddy has been appointed to the position of executive director at Freight Victoria in the Department of Transport. Mr Reddy is well known across the transport sector and brings more than 25 years’ experience in complex transport policy, governance and emerging and disruptive technology across commonwealth and state government sectors, the private sector and not-for-profit organisations. His experience includes holding a number of senior leadership roles within VicRoads, where he successfully implemented key projects and freight initiatives. Mr Reddy will commence his role at Freight Victoria on 3 February 2020.

## **Port of Melbourne has a new harbour master**

Captain Kell Dillon has replaced Roy Stanbrook, who retired in December, as the new ‘executive general manager marine and navigation’ at Victorian Ports Corporation (Melbourne), a position that includes the role of harbour master for the Port of Melbourne. VPCM Chief Executive Rachel Johnson said she was “delighted to welcome Captain Dillon to this important appointment at VPCM. He brings a wealth of knowledge and experience in the maritime sector.” Captain Dillon has held senior roles at the Port Authority of NSW, Port Kembla Port Corporation, NSW Maritime Authority, Sydney Ferries Corporation and the Royal Australian Navy.

At VPCM, he leads the division responsible for safe navigation in the port waters of the Port of Melbourne through Vessel Traffic Services, as well as emergency management, business resilience and workplace health and safety. “As harbour master, Kell has responsibility for two of our major navigational safety activities,” Ms Johnson said. “These are the ongoing program of assessments and trials to allow larger vessels to enter the port of Melbourne and our project to replace and upgrade our vessel traffic services system to enhance safe navigation for all vessels in Port Phillip.”

## **Shipping associations propose US\$5 billion research fund**

Shipping associations have proposed creating a research fund with US\$5 billion to be raised by the industry to develop technology to help the sector meet UN targets on cutting emissions. The global shipping fleet, which accounts for 2.2% of the world’s CO<sub>2</sub> emissions, is under pressure to reduce those emissions and other pollution. About 90% of world trade is transported by sea.

International shipping associations recently called for a mandatory contribution of US\$2 per tonne on fuel used by ships, to raise the money for a research fund to help develop cleaner technology for the industry. The International Maritime Organization (IMO) aims to cut the industry’s greenhouse gas emissions by 50%

from 2008 levels by 2050, a target that will require the swift development of zero or low emission fuels and new ship designs using cleaner technology.

Simon Bennett, deputy secretary general of the International Chamber of Shipping, one of the industry bodies backing the fund, said a US\$2 per tonne fuel contribution would raise about US\$5 billion over 10 years, based on fuel consumption by the world's fleet of about 250 million tonnes a year. "We can't exaggerate the pressure we are under if we are going to meet the IMO 2050 targets. We really have very little time," Bennett told Reuters. "Ship owners are increasingly realising that we have to really get on with this now." The fund, if it receives the backing of IMO member states, could be in place by 2023, officials involved said. The IMO said the proposal would be discussed by the organisation's Marine Environment Protection Committee at its next meeting at the end of March.



**Take us with you...**

ForkliftAction: news, trading, networking for anyone who works with materials handling

The image shows three workers in safety gear (hard hats and high-visibility jackets) standing in front of a blue forklift. To their right is a tablet displaying the ForkliftAction website interface, which includes a navigation menu, a 'YOUR FOCUS' section with articles on forklift battery maintenance and telematics, a 'KEEP MOVING' section, and a 'GLOBAL NEWS' section with various industry updates.

For a review of activities of the materials handling industry in 2019 and likely trends in the future, see the article by Allan Leibowitz on the Forklift Action website:

<https://www.forkliftaction.com/news/statlink.asp?statlinkid=38810>

## Smooth introduction of IMO 2020 regulation

International Maritime Organization (IMO) Secretary-General Kitack Lim says the implementation of new international rules limiting the sulphur content of fuel used by ships has gone relatively smoothly. "I believe it is testimony to the diligence and dedication of IMO, its member states, the shipping industry, the fuel supply industry and other relevant industries, that such a major rule change is being implemented successfully without significant disruption to maritime transport and those that depend on it," Secretary-General Lim said in a statement.

Under so-called IMO 2020 regulation, as of January 1, 2020 all ships trading internationally are required to use fuel oil with a maximum sulphur content limit of 0.5%, reduced from the previous 3.5% limit, unless they are equipped with exhaust gas cleaning systems, aka scrubbers. The IMO says information from various sources has indicated a "relatively smooth" transition to the 0.5% limit. As of January 20, the IMO said it had received reports of 10 cases of fuel shortages and no specific reports of issues have been sent to a dedicated email address to report such issues. "Prices for compliant fuels – very-low sulphur fuel oil

(VLSFO) and marine gas oil (MGO), rose quickly initially but now appear to be stabilizing,” the statement said.

Looking ahead, however, the shipping industry now must prepare for the March 1, 2020 deadline on the ban of the carriage of non-compliant fuel. “The next important target is fast approaching, when carrying non-compliant fuel oil on board ships becomes prohibited on 1 March 2020. I urge all shipowners, operators and masters to comply with the carriage ban, where applicable, when it comes into effect,” said Secretary-General Lim. “IMO will remain vigilant and ready to respond and provide any support. I would like to thank, sincerely, IMO member governments, the shipping industry and all stakeholders, including shippers and the fuel oil supply industry, for their efforts so far and to ask for further cooperation to ensure IMO 2020 is implemented properly.”

This topic will be further discussed at the Megatrans 2020 event as part of ICHCA’s one-day conference.

## Shipping and logistics industry assist with bushfire threat

A number of vessels, both commercial and Australian Navy vessels, have recently been providing support to coastal communities that were under threat and/or isolated by the recent bushfires on the Australian east coast. The vessels were both bringing supplies into communities and helping with the evacuation of people. *M/V Far Saracen* (an offshore supply vessel) was first to arrive at Mallacoota with vital relief supplies after the fires isolated the town. Also, the Svitzer Australia team at Eden graciously sheltered more than 80 of Eden residents on their vessels at the port and provided transportation for firefighters around Twofold Bay. *HMS Choules*, a 16,000-tonne landing class vessel, as well as *M/V Sycamore*, a Navy training vessel, assisted with the evacuation of hundreds of people from Mallacoota.

This again demonstrates that shipping plays a vital part in aiding communities along the Australian coast when other supply lines, such as road, rail and air, are blocked due to extreme weather conditions. The logistics industry has also been very generous in providing free transport and other services to communities affected by the bushfires or by collecting money to assist these communities in rebuilding their lives.

## Kalmar strikes maintenance deal with Patrick Terminals

Kalmar, part of Cargotec, has concluded a comprehensive software maintenance and support agreement with Australian terminal operator Patrick Terminals. The agreement covers the equipment automation systems at the company’s Brisbane and Sydney AutoStrad terminals.

Patrick Terminals’ equipment fleet currently includes over 120 manual and automated Kalmar straddle carriers. Kalmar has supplied the software used to operate the 78 automated machines operating at the Brisbane and Sydney terminals, and has been supporting Patrick Terminals with software maintenance and support services since 2012. Since then, the two companies have collaborated closely to continuously improve the technology. Under the new agreement, Kalmar will provide software maintenance and support including 24/7 on-call service. The agreement also covers all other aspects of the automation solution including platform compatibility, continuous improvement and optimisation, issue corrections and overall lifetime care. The services will be delivered via the Kalmar APAC customer support team based in Sydney.

Michael Houen, national automation manager at Patrick Terminals, commented, “Partnering with Kalmar gives us continuity of support for our mission-critical automation technology, providing a solid base to continuously improve our operational productivity and reduce operational costs.” Mika Seppä, senior director of customer and project services at Kalmar, said, “With this agreement Patrick Terminals will be able to further enhance what is already a world-class automation solution to achieve higher levels of operational efficiency with lower operating costs. We have developed a highly successful partnership over the past seven years and are looking forward to making even bigger strides forward together in the future.”

## Updates from the Department of Agriculture

### ***Brown Marmorated Stink Bugs***

Update from the Department: Policies aimed at preventing a brown marmorated stink bug incursion have proven effective this year, a spokesperson for the Department of Agriculture says. Two vessels (both vehicle carriers) have been turned away this season, the *M/V Dugong Ace* and the *M/V Orca Ace*.

“While we are just over the half-way point of the 2019-20 BMSB season, the policies put in place for this season have so far been effective, with few live detections found on the targeted pathways,” the spokesperson said. “In the coming months, the department will begin to review the 2019-20 BMSB season and potential risk countries and tariffs for the 2020-21 BMSB season.”

According to the Department, for the 2019-2020 BMSB risk season (as at 8 January 2020), there have been 115 detections of BMSB (live and dead), as compared with 312 detections for the entire 2018-19 BMSB season.

Live detections have included:

- 8 detections associated with BMSB and other hitchhiker pests on commercial vessels (mainly vehicle carrier vessels)
- 3 detections associated in the traveller pathway
- 3 detections associated with air cargo
- 8 detections associated with sea cargo.

“The department is continuing to monitor the spread and establishment of BMSB and will review the measures based on detections of BMSB and the risk pathways and make any necessary adjustments to ensure that the risk to Australia is managed,” the spokesperson said. “In addition to the seasonal measures, the department has increased intervention for onshore inspections for certain goods shipped from identified emerging risk countries.”

For more information on the BMSB, please find the latest BMSB newsletter of the Department [here](#). Issue #3 of the Master Consolidators (MC) newsletter with updated information has also been released, and can be found [here](#).

### ***Biosecurity Levy***

The Department has established a Biosecurity Levy Industry Working Group consisting of the Department of Agriculture Cargo Consultative Committee (DCCC) members, and other industry stakeholders, to advise the Minister for Agriculture on how best to implement the levy in the future and what mechanisms are available to collect the levy. The working group has been meeting regularly (either face-to face or phone hook-up) and hopes to make more information available to the wider industry soon. ICHCA Australia is represented on the Working Group. If you would like to comment or have input to the process, please contact Peter van Duyn (contact details below).

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IAL's Privacy Policy details are available by contacting the Company Secretary, Peter van Duyn, via e-mail [peter.van-duyn@ichca.com](mailto:peter.van-duyn@ichca.com) or telephone 0419 370 332.

### Our contact with you

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