



TOMAX  
NEWS

Issue 125  
21<sup>st</sup> April 2023

---



PLUS:

# TARIFF CONCESSIONS GAZETTE (TC)

---

Tariff Concession Orders (TCOs) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods.

You can stay up to date with the weekly gazette via the Tomax Newsletter.

[CLICK TO VIEW LATEST GAZETTE](#)







# STRONG CHARTER MARKET SEES LACK OF BOXSHIP DEMOLITION

Statistics show that the number of ageing containerships being sold for scrap this year is significantly lower than previously predicted. Alphaliner data reveals that, with over a quarter of the year gone, only 28 cellular vessels with a capacity of 48,555 TEU have been sent to the scrapyards of the Indian sub-continent and Turkey. This is a stark contrast to the January estimate of a full-year demolition count of 350,000 TEU, which was expected to help mitigate the impact of 2.4 million TEU of newbuild tonnage hitting the water this year.

The lack of demolition candidates is attributed to a strong charter market rally that continues to show no signs of slowing down. Alphaliner notes that the lower-than-expected demolition take-up so far this year is “mainly the result of an unexpectedly strong charter market, with some owners keen to prolong the commercial life of ships that would have otherwise been torched”. The global shortage of vessels across the board and strong demand have also contributed to the NOOs (non-operating owners) enjoying a bright short-term outlook.

However, Alphaliner remains convinced that scrapping will increase in the coming months as the massive influx of newbuild tonnage puts pressure on tonnage supply, and the Carbon Intensity Indicator IMO regulations remain unfavourable for the least-efficient, older units. Despite this, MSC has been weeding out a few ships for demolition, including the 1989-built 3,922 TEU MSC Veronique, ex the Maersk Merritt, which has arrived at Alang, India.

Notably, MSC appears to have no concerns about the age profile of some of its fleet. It is the operator of the oldest containership in regular service, the 41-year-old 1,438 TEU MSC Malin, which is on a five-year bareboat charter expiring in November 2024. Its current value, according to Vesselsvalue, is \$6.7m, both for sale and scrap.

Wackett, M. (2023). Boxship demolition sales disappoint analysts as charter market booms. Retrieved from <https://theloadstar.com/boxship-demolition-sales-disappoint-analysts-as-charter-market-booms/> on 19th April, 2023.



# NATIONAL BIOSECURITY PLAN TO MANAGE BIOSECURITY RISKS

**T**he Commonwealth government has recently published the Commonwealth Biosecurity 2030: Action Plan 2023, which outlines a national biosecurity action plan. The plan is designed to align Australia's biosecurity system with the Commonwealth Biosecurity 2030 roadmap and the National Biosecurity Strategy, with a focus on managing biosecurity risks. The plan provides updates on the progress made in 2022 and sets priorities for the coming year.

One of the key components of the action plan involves conducting a biosecurity risk management trial at the Port of Melbourne. The trial will focus on identifying and evaluating modifications to existing containers to prevent "hitchhiker pests" and improve container cleaning methods' effectiveness. A survey will also be carried out to inspect external surfaces of sea containers at the ports of Brisbane and Adelaide to evaluate the effectiveness of current risk settings.

The action plan also includes a case study on container data sourcing, which highlights the importance of having a reliable source of data on container arrivals into Australia and biosecurity outcomes. The plan also details a proof-of-concept trial for new vehicles arriving at the Port of Melbourne, which aims to inform new approaches to managing biosecurity risks for imported vehicles. The government is considering opportunities to scale the end-to-end solution to other ports and commodities to ensure sustainable biosecurity risk management.

Minister for agriculture, fisheries, and forestry, Murray Watt, emphasised the importance of strong offshore and onshore biosecurity measures, improved surveillance activities, and investment in new and innovative tools to manage and detect biosecurity risks. The action plan also provides updates on work to address issues identified by the Inspector-General of Biosecurity and the Australian National Audit Office to ensure the biosecurity system remains fit for purpose.

Watt said that the plan incorporates case studies of vital biosecurity work, including operations to target illegal imports of biosecurity risk food and urgent actions to keep invasive grain pest Khapra Beetle from hitchhiking into the country. The plan also highlights the development of new technologies, such as phone apps, to assist in pest detection and diagnostics, and the implementation of the National eDNA Testing program to detect pests and pathogens in the environment. The Indigenous ranger program in Northern Australia has also continued to improve preparedness and readiness through continued surveillance activities.

Overall, the plan seeks to maintain Australia's reputation as a supplier of safe, high-quality produce into the future.

Williams, A. (2023). NATIONAL BIOSECURITY ACTION PLAN TO TACKLE EVOLVING THREATS. Retrieved from <https://www.thedcn.com.au/news/law-regulation-trade/national-biosecurity-action-plan-to-tackle-evolving-threats/> on 19th April, 2023.





# TASMANIAN FREIGHT ACCESS PROGRAM NOW UNDERWAY

**T**he Australian and Tasmanian governments have launched the \$100-million Freight Capacity Upgrade Program, with \$80 million and \$20 million committed by each government, respectively. The program aims to increase the freight capacity of critical and regional freight routes across the state of Tasmania by strengthening or replacing various bridges and improving sections of roads.

The Charles Street Bridge in Launceston is one of 11 bridges that will undergo strengthening during the first stage of the project, which will also involve replacing two other bridges and improving roads at 14 other sites. This initiative is expected to create local jobs and support the freight industry while enhancing productivity, efficiency, and road safety.

The program is expected to be delivered over five years, with tenders for the strengthening of the Charles Street Bridge and other bridge sites to be called during mid-2023, and construction to start later in the year.

Assistant minister for regional development Anthony Chisholm said, “we are proud to partner with the Tasmanian government to deliver the Freight Capacity Upgrade

Program, which over the life of the program, will open up to 224 kilometres of state road and bridge network capability to increase freight productivity for critical state industries such as agriculture and manufacturing. This is among the first of many projects to come that will prove a game-changer in terms of building a safer, more productive transport network benefiting all Tasmanian road users.”

Tasmanian infrastructure and transport minister Michael Ferguson said the investment would back local jobs as well as supporting the freight industry. He said, “the Freight Capacity Upgrade Program not only enhances the productivity of Tasmanian freight, but also increases efficiency and road safety.”

Senator for Tasmania Helen Polley also welcomed the initiative, saying, “this investment in the Charles Street Bridge is great news for road users, businesses and freight capacity. I am proud to stand shoulder to shoulder with our freight and transport workers to improve safety and efficiency within our road and bridge network.”

Williams, A. (2023). FREIGHT ACCESS PROGRAM GETS UNDERWAY IN TASMANIA. Retrieved from <https://www.thedcn.com.au/news/logistics-and-supply-chain/freight-access-program-gets-underway-in-tasmania/> on 19th April, 2023.



# GREEN SHIPPING: COSTLY OR COMPETITIVE?

**M**aersk has revealed a video of the world's first methanol/HFO dual fuel container vessel, which is in its final construction phase. While some believe that the green methanol fuel produced from renewable sources would be too costly to compete with conventionally powered ships, Maersk is not alone in viewing methanol as a viable alternative fuel.

For instance, Stena has already converted the ferry Stena Germanica to operate on the fuel and reduced its reliance on diesel further by using 'Blue Methanol', recycled from gas by-products of the steel industry. According to Christoph Rasewsky, Global Container Lead at ABS, green methanol-powered vessels could, with some modifications, compete with conventional ships.

Slot costs per loaded container per round voyage could be reduced using technical, operational and design fixes, such as air lubrication, waste heat recovery propeller shaft electrical generation, and a streamlining wind shield at the bow. Slow-steaming, adding ships to services, vessel design, wider ships, better stowage and general optimisation could also further reduce fuel consumption by 11.4%, 10.3%, and 5%, respectively.

ABS calculates that operating a conventionally powered 15,000 TEU vessel on an Asia-Europe round-trip incurs a per TEU cost of \$1,046

using low-sulphur diesel. High-sulphur fuel with a scrubber was calculated at \$939/teu, while LNG was calculated at \$1,272. Green methanol at \$1,945/TEU would be 54% higher than the average of the other three fuels, but the modifications suggested would reduce this to \$1,214/TEU.

The optimisation package suggested by ABS would be available to fossil-fuelled vessels too, which would improve their efficiency, perhaps widening the gap again. However, few methanol ships exist, and this type of optimisation is cheaper to include in a new design than through retro-fitting.

Christoph Rasewsky also pointed out that he hadn't considered carbon pricing, and added that "Taking into consideration any (future) carbon pricing, the picture would change. Existing ships would have to pay extra carbon costs, whereas the green methanol-fuelled ship would pay only minor carbon costs."

Carbon pricing in Europe is expected to begin on 1 January 2024, with other jurisdictions to follow suit, and the IMO is under pressure to develop a carbon pricing system. Maersk's methanol-powered feeder ship is set to be delivered this summer.

Savvides, N. (2023). Green shipping looks expensive, but can be competitive, says ABS. Retrieved from <https://theloadstar.com/green-shipping-looks-expensive-but-can-be-competitive-says-abs/> on 19th April, 2023.







# AMC SEARCH AND ROBOSYS JOIN FORCES FOR AI TRAINING

**A**MC (Australian Maritime College) Search and UK automation company, Robosys Automation, have teamed up to provide AI-based training for autonomous shipping, aiming to support mariners with new technology, training and procedures for mixed human and AI operations. The partnership was formed due to increased publicity of maritime autonomous surface ships (MASS) trials in a mix of crewed and un-crewed environments.

Nick Bonser, simulation and autonomous maritime instructor at AMC Search, stated that Robosys Automation has deep expertise in this area and is dynamic and agile, with the ability to support cutting-edge simulator operations and MASS operator training syllabus, along with delivering Collision Avoidance Decision Aid (CADA) capability for their students.

AMC Search and Robosys Automation will launch their partnership with a training session at the Ocean Business 23 event in Southampton this month. The training will highlight the importance of using simulations for developing the skills required to operate MASS systems. The session will provide

participants with a demonstration of how AI reacts in differing navigation situations, including a direct comparison of how humans and AI react in the same situation.

Robosys Automation chief strategy officer Nigel Lee expressed excitement about delivering training in partnership with AMC Search and looks forward to building a mutually beneficial, long-term partnership where both companies can jointly improve the safety and efficiency of sustainable and smart future maritime operations.

AMC Search chose Robosys' Voyager AI software for the delivery of its training programs in Tasmania because it offers simple, flexible mission and operational user-defined settings for both crewed and -vessels. Voyager AI also includes "explainable AI" based compliance to support both autonomous vessels as well as crewed ships with automatic Collision Avoidance Decision Aid (CADA) support.

Williams, A. (2023). AMC SEARCH AND AUTOMATION COMPANY ENTER AI TRAINING PARTNERSHIP. Retrieved from <https://www.thedcn.com.au/news/staffing-crewing-and-training/amc-search-and-automation-company-enter-ai-training-partnership/> on 20th April, 2023.

# COSCO LAUNCHES NEW TRANS-TASMAN SERVICE

**C**OSCO Shipping Lines has announced the launch of its trans-Tasman shipping service which will begin operating next month. The Australia New Zealand Express (ANE) service will sail between Melbourne, Bell Bay, Sydney and Auckland from the 15th May, deploying one 1100-TEU ship, MV Contship Yen on the route. The fortnightly service will commence in Melbourne and sail directly to Bell Bay in Tasmania, then Sydney and Auckland.

COSCO said, “the successful opening of the ANE service will expand the trade route between international ports and Tasmania via Australian mainland ports, marking the further improvement of the Australia-New Zealand service network. It provides high-quality and comprehensive logistics solutions for enterprises in Australia and New Zealand. In the future, COSCO Shipping Lines will continue to focus on globalisation, digitalisation and end-to-end strategies, expand the service network in Australia and New Zealand, actively contribute to stabilising foreign trade and maintaining growth.”

The new service extends the company's network and aims to empower businesses to expand their trade.

Williams, A. (2023). COSCO TO LAUNCH TRANS-TASMAN SERVICE. Retrieved from <https://www.thedcn.com.au/news/containers-and-container-shipping/cosco-to-launch-trans-tasman-service/> on 20th April, 2023.





# STAFF SPOTLIGHT

## TONY MORRELL DELIVERY DRIVER TOMAX TRANSPORT QLD



### **What is your role at Tomax?**

I am a Delivery Driver.

### **What do you enjoy doing in your spare time?**

I enjoy taking our kids out for the day, fishing, diving and a bit everything!

### **Your proudest achievement?**

Raising my kids would be my proudest moment ever.

### **Do you follow any sports?**

I follow the Rugby and the Melbourne Cup League.

### **Favourite place to visit?**

Back home to see my Dad.

### **If you won the lottery, what would be the first thing you spend it on?**

Pay off our house in New Zealand and buy another one, then a trip to Rocky Mountain!

### **What do you believe is the greatest invention of all time?**

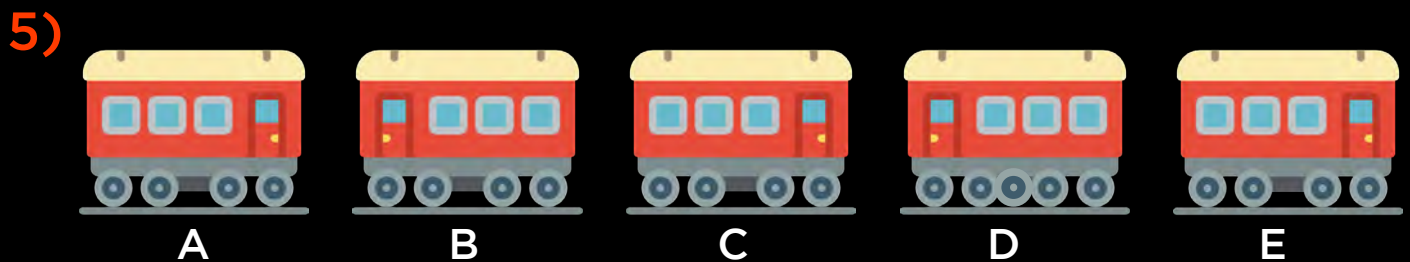
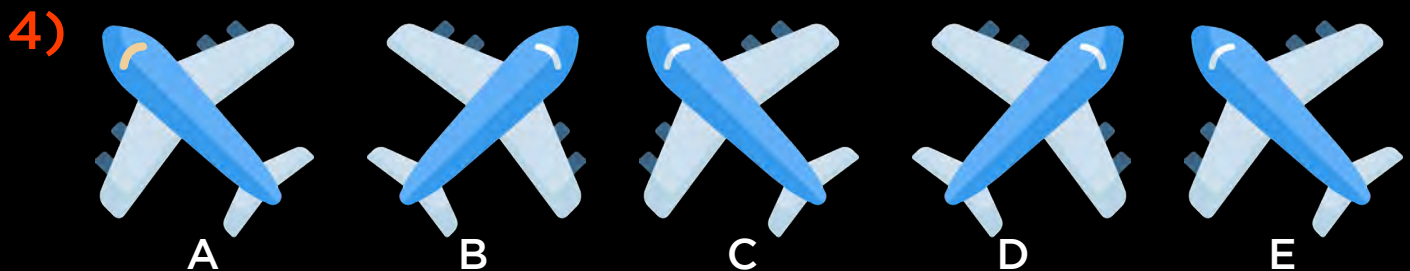
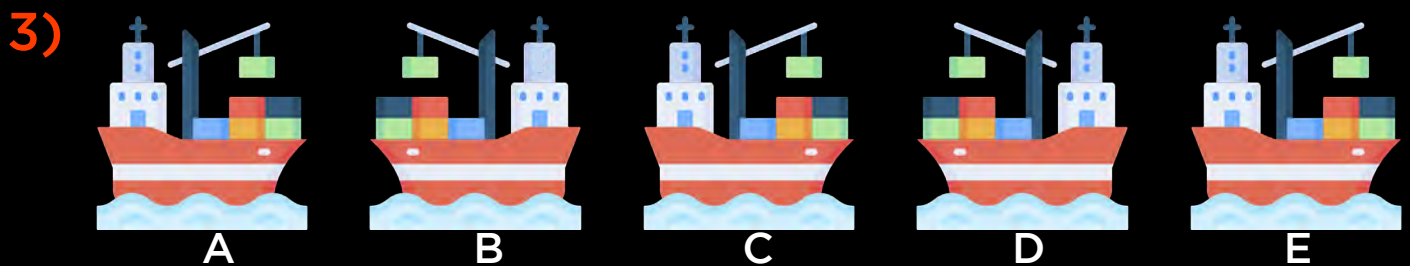
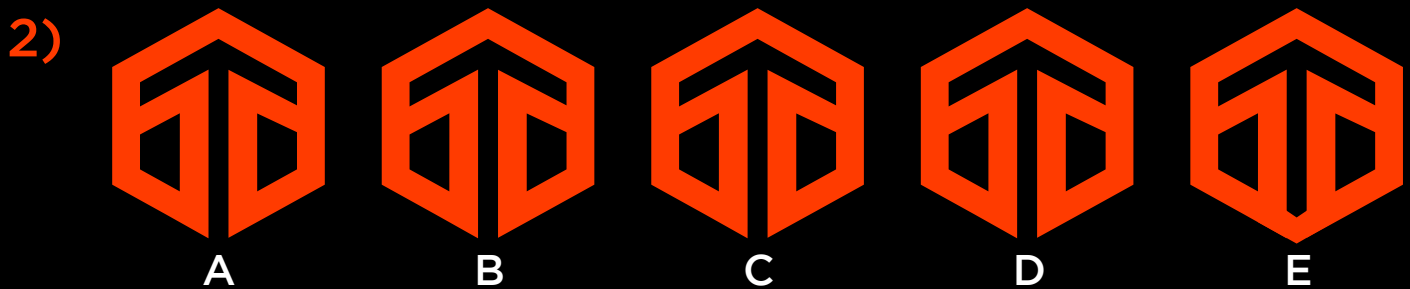
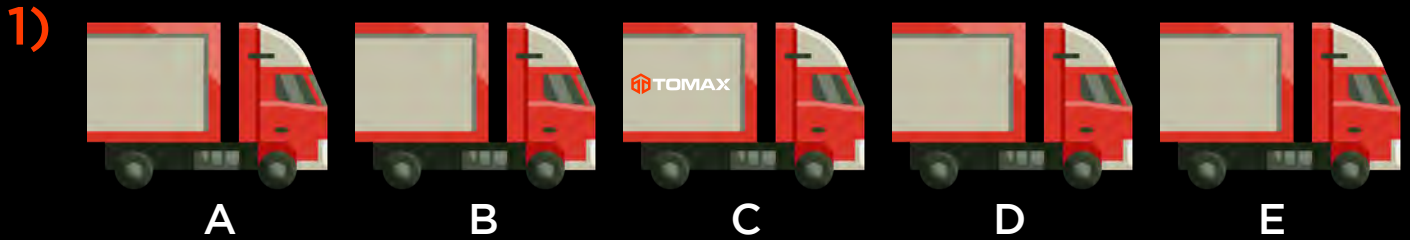
Video chat because I get to see my family from far away.





# ODD ONE OUT

See if you can spot the odd one out in each set?!



Answers: 1)C, 2)E, 3)B, 4)A, 5)D



Australian HQ  
19/202 Ferntree Gully Rd  
Clayton VIC 3168

[tomax.com.au](http://tomax.com.au)  
1300 186 629  
03 9544 4227

