



TOMAX  
NEWS

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**PLUS:**



# MARKET SUMMARY

- More GRI announcements have been made by shipping lines, proposing large increases to be applied from 1st September, and then again from 15th September. The current volumes being moved by the shipping lines do not dictate that space is tight and rates should be increased, but the lines have restricted the available space by blanking around 25% of possible sailings in order to artificially create a demand/supply situation in their favour. This activity by the shipping lines equates to market manipulation but of course their actions are untouchable by

international or domestic regulators. Rates of well over USD 1,000 are expected for 40' containers on the China-Australia trade-lane for the start of September.

- Australian Quarantine are reminding importers that shipments departing from 1st September 2023 from target risk countries will be subject to BMSB (Brown Marmorated Stink Bug) seasonal measures. For more information on this please see the article in this week's newsletter below.

## 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. When a new TCO is made, it is published in the Gazette by the Australian Border Force. The weekly Tomax Client Newsletter will contain a link to the latest Gazette document so that you can stay updated.

[CLICK TO VIEW LATEST GAZETTE](#)







# BROWN MARMORATED STINK BUG (BMSB) SEASON 2023-2024 INFO

**T**he Brown Marmorated Stink Bug (BMSB) poses a serious biosecurity threat to Australia's agricultural industry and is an invasive pest which the Department of Agriculture, Fisheries and Forestry (DAFF) have gone to great lengths to stop the pest taking a hold in Australia. To combat the risk, DAFF each season implements seasonal measures to ensure that Australia stays BMSB free.

BMSB seasonal measures will apply to targeted goods manufactured in or shipped from target risk countries, that have been shipped between 1st September and 30th April (inclusive), and to vessels that berth, load, or tranship from target risk countries within the same period. To determine if a shipment containing target risk goods has been shipped between the BMSB 2023/2024 season and requires mandatory treatment, DAFF will take the "shipped on board" date that is indicated on the Ocean Bill of Lading as their means of determining the date that the goods were shipped. For shipments that are packed before the 1st September but are loaded on a vessel on or after the commencement of the season, DAFF will allow importers to provide a BMSB Sealing Declaration to prove that the container was packed and sealed before the beginning of the start of the season and therefore excluded from mandatory treatment.

## BMSB MEASURES FOR GOODS

- If your goods are classed as target high risk (Tariff chapters 44-45, 57, 68-69, 70, 72-89)

and ship from a target risk country, they will require mandatory treatment.

- If your goods are classed as target risk (Tariff chapters 27-29, 38-40, 48-49, 56) and ship from a target risk country, they will be subject to random inspections.

- If your goods are not found in either category, they are not subject to BMSB measures, however, they will be subject to measures if packed with target high risk or risk goods (example LCL shipments)

- Treatments of target high risk goods can be treated with Methyl Bromide or Sulfuryl Fluoride Fumigation or by Heat Treatment and if done offshore it must be done by an approved offshore treatment provider

- All shipment goods must be packaged and presented in a manner that allows for effective BMSB treatment to be conducted.

- All packaged goods must allow for heat or fumigation treatment to reach all internal and external surfaces.

- If goods are plastic wrapped, the wrapping must be slashed or perforated to enable the fumigant or heat to infiltrate the goods and achieve an effective treatment.

- Failure to provide adequate space in the container will result in a partial unpack of the container to enable an effective treatment resulting in high costs for unpacking and treating the contents.

- If you are shipping freight as break bulk goods which includes shipments on flat racks and in open top containers the requirements for these shipments are as follows:

- All target high risk goods must be treated offshore prior to arrival in Australia.
- All target high risk goods that have been treated must be loaded onto a vessel for export from the target risk country within the defined time frame of 120 hours.
- Untreated break bulk shipments will be directed for export.
- Onshore treatment is not permitted.

### **CIRCUMSTANCES WHERE GOODS MAY NOT BE SUBJECTED TO THE SEASONAL MEASURES**

- Goods are packed before the 1st of September and a BMSB Sealing Declaration is provided to prove the date the container was sealed.
- Goods were stored or transported to a non-target risk country prior to 1st September. Evidence by means of use of a form of international trade document (bill of lading) showing the date it was shipped would be accepted.
- Goods are manufactured on or after the 1st December and fall into tariff chapters 82, 84-89 and a BMSB New, Unused and not Field Tested (NUFT) declaration is provided.

### **WHAT'S NEW FOR THIS SEASON**

- Uzbekistan has been added to the list of Target Risk countries.
- The United Kingdom and China continue to be classified as “emerging risk countries” and will be randomly selected for onshore inspections.
  - China – random inspections will apply to goods shipped between 1st September to 31 December (inclusive)
  - United Kingdom – random inspections will apply to goods shipped between 1st December to 30th April (inclusive)
- In addition to the target risk goods, chapters 39, 94 & 95 will be subject to random inspections for emerging risk countries only.

For the full list of the target risk goods and target risk countries and detailed information on what to do for preparing your import goods during the season, visit the Departments BMSB website.

Click on the links below to access the BMSB Sealing and Nuft Declaration templates.

**BMSB SEALING DECLARATION**

**BMSB NUFT DECLARATION**







# PORT OF LONG BEACH JULY TRADE DOWN 25%

In July, trade operations at the Port of Long Beach experienced a decline of over 25% due to adjusted shipping routes, crowded warehouses, and a shift in consumer behaviour towards travel, according to an announcement made by the port on Tuesday.

During the previous month, the port managed to handle 578,249 twenty-foot equivalent units (TEUs), reflecting a notable drop of 26.4% when compared to the exceptionally bustling July of the prior year. The import segment witnessed a decline of 27.9%, resulting in 271,086 TEUs, while exports saw a reduction of 17.6% amounting to 90,134 TEUs. Additionally, the passage of empty containers through the port decreased by 27.7% to reach 217,030 TEUs.

Analysing the port's performance over the initial seven months of 2023, a decrease of 25.6% emerged when contrasted with the corresponding period in the previous year. These figures align cargo activity more closely with pre-pandemic levels, particularly resembling the conditions seen in 2019, when the port managed a comparable cargo volume.

Mario Cordero, the CEO of the Port of Long Beach, expressed his expectations for a “modest” upswing in shipping during the peak

season ahead. Cordero remarked, “I hold the belief that our statistics will show improvement as we collaborate with our industry partners to regain our market presence. Nonetheless, looking at the immediate future, we anticipate a restrained ‘peak season’ for shipping. This projection is grounded in the observation that consumers are likely to spend slightly less this year on items like back-to-school supplies and holiday gifts.”

Recent data published by the National Retail Federation (NRF) suggests that container imports within the United States are anticipated to surge to the highest point in nearly a year this month, exceeding 2 million TEUs nationwide. This increase is attributed to retailers' preparations for the upcoming winter holiday season. Based on NRF's analytical models, container imports for 2023 are projected to total 22.3 million TEUs, signifying a decrease of 12.8% from the 25.5 million TEUs recorded in the previous year.

Schuler, M. (2023). Port of Long Beach Expects ‘Modest’ Peak Shipping Season. Retrieved from <https://gcaptain.com/port-of-long-beach-expects-modest-peak-shipping-season/> on 24th August, 2023.





# AUTOMATION BOOSTS EMPTY CONTAINER PARK EFFICIENCY

**A** recent report by the Department of Transport and Container Transport Alliance Australia highlights the potential for increased automation at empty container parks to significantly enhance truck turnaround times by up to 32%. The Empty Container Park Trial report emphasises the benefits of adopting paperless and contactless procedures for truck arrivals, which not only amplify daily truck cycles but also promote driver safety and emissions reduction.

The study, launched by Victorian Minister for Ports and Freight, Melissa Horne on August 24, stems from the Container Storage Working Group initiated by Freight Victoria in early 2022. This effort aimed to address container congestion in the Port of Melbourne supply chain, recognising the role of empty container parks in optimising efficiency.

The trial, conducted in collaboration with industry stakeholders, stevedores, transport operators, and CTAA (Container Transport Alliance Australia), set performance benchmarks for empty containers and assessed streamlined processes for truck arrivals.

Horne praised the report as a prime example of successful government-industry collaboration aimed at nurturing Victoria's freight advantage. The insights gained from the Container Storage Working Group and the ECP Trial have led to the formulation of new performance indicators that enhance transparency in the performance of the Port of Melbourne supply chain.

The report indicates that even a modest reduction of six minutes in truck turnaround times could yield substantial savings – approximately \$13.50 per truck or a yearly total of about \$5.75 million for Victoria's container transport industry.

Neil Chambers, Director of CTAA, underscored the importance of pre-receipt electronic data from shipping lines and automation of truck in-gate processes at ECPs for efficient truck servicing. He extended gratitude to Minister Horne for supporting the government's monitoring efforts and highlighted the substantial improvements in truck turnaround times achieved through automation.

The report showcases that ECPs employing electronic pre-arrival and medium to high levels of truck in-gate automation demonstrated a remarkable one-third increase in efficiency. Moreover, ECPs with advanced automation serviced over double the number of trucks per hour compared to those with low automation levels.

Chambers emphasised that improving truck turnaround times by a mere six to 10 minutes per visit could result in savings exceeding \$5 million or \$6 million in truck operating costs. He also recognised the steps some ECPs have taken to enhance truck in-gate processes and expressed optimism about continued collaboration to enhance transport logistics performance.

Freight Victoria has now incorporated a performance measure for truck turnaround times into its Voluntary Performance Monitoring Framework dashboard report. The Department of Transport and Planning intends to continue its partnership with the industry to develop additional performance indicators for the empty container supply chain, including factors such as slot availability and other pertinent measures.

Williams, A. (2023). EMPTY CONTAINER PARK TRIAL HIGHLIGHTS BENEFITS OF AUTOMATION. Retrieved from <https://www.thedcn.com.au/news/containers-and-container-shipping/empty-container-park-trial-highlights-benefits-of-automation/> on 24th August.



# PORT OF BRISBANE STRIKE CALLED OFF BY PILOTS

**T**he intended 24-hour work stoppage by pilots at the Port of Brisbane, initially scheduled for August 24, has been called off. The industrial action, aimed against their employer Poseidon Sea Pilots, was withdrawn following positive discussions between the Australian Maritime Officers Union (AMOU) and PSP on August 22.

The AMOU Queensland organiser, Tracey Ellis, expressed the union's decision to withdraw the planned strike as a gesture of good faith after a constructive meeting with PSP. Documents are being finalised in preparation for a vote, and the union is optimistic that a smooth voting process will negate the necessity for any further action.

Glen Marshall, CEO of AMS Group, the parent company of Poseidon Sea Pilots, acknowledged the industry's and port stakeholders' support during this period of negotiation. Marshall reassured that, as promised, the operations at the port will continue uninterrupted.





# LAUNCHING THE 'INFRASTRUCTURE NET ZERO' DECARBONISATION INITIATIVE

A collaborative effort involving seven peak bodies and three federal agencies has given rise to “Infrastructure Net Zero,” an initiative dedicated to decarbonisation in the public and private sectors. The founders of this initiative, including the Australasian Railways Association, Roads Australia, Infrastructure Australia, and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, among others, collectively constitute the steering committee. Their primary objective is to guide the formulation of a comprehensive plan addressing sustainability concerns across various infrastructure sub-sectors, with a specific target on bolstering supply chain capabilities.

The steering committee, which also encompasses representatives from the Australian Constructors Association, Clean Energy Finance Corporation, Consult Australia, Green Building Council Australia, Infrastructure Partnerships Australia, and Infrastructure Sustainability Council, is attuned to the potential of harnessing shared time, resources, and expertise to expedite crucial initiatives and policy changes in the realm of infrastructure.

During the official launch of the initiative on August 23, Federal Minister for Infrastructure and Transport, Catherine King, underlined the importance of government-industry collaboration in ensuring the transportation and infrastructure sectors of Australia contribute effectively to the pursuit of net

zero goals. She noted the recent formation of the Infrastructure Decarbonisation Working Group, an outcome of Infrastructure and Transport Ministers’ deliberations, which aims to explore methods of reducing emissions within transport infrastructure while enhancing the global competitiveness of the nation’s infrastructure and transport domains.

Nicole Lockwood, an independent chair of Infrastructure Net Zero and also the chair of Infrastructure WA, highlighted the far-reaching influence of infrastructure on Australia’s carbon footprint, encompassing embodiment, consumption, and enablement of 70% of the nation’s carbon emissions. Acknowledging the intersection of more ambitious targets for 2030 and 2050, a burgeoning project pipeline, and the necessity to adapt to escalating climate impacts, Lockwood highlighted the need for swift and decisive action. She stated that Infrastructure Net Zero is positioned to propel the entire sector toward accelerated progress by fostering collective momentum.

The steering committee’s initial work plan revolves around four key work streams, each tailored to tackle distinct aspects of the net zero journey: defining net zero parameters for infrastructure, fostering alignment between the public and private sectors, enhancing capabilities within the supply chain, and refining procurement strategies to facilitate the attainment of net zero objectives.

Williams, A. (2023). INFRASTRUCTURE NET ZERO INITIATIVE LAUNCHED. Retrieved from <https://www.thedcn.com.au/news/logistics-and-supply-chain/australias-infrastructure-net-zero-initiative-launched/> on 23rd August, 2023.



# POSITIVE OUTLOOK FOR CONTAINER MARKET REBOUND

According to the latest report from online logistics platform Container xChange, supply chain leaders are optimistic about a potential rebound in the container market. The report, titled Market Forecaster, highlights that a majority of the 2570 professionals surveyed in July expressed positive outlooks. This sentiment suggests a “shipper’s market” could emerge during the upcoming peak season.

The report notes that container prices remained steady in July, indicating a positive market trend that could benefit shippers as they enter the peak season. Approximately 42% of respondents foresee an increase in container prices in the near future, which Container xChange interprets as a sign of potential market improvement. On the other hand, 28% anticipate further declines in container prices, reflecting a certain level of market pessimism, and 30% expect prices to remain unchanged. Container xChange asserts that the growth in positive sentiment signifies the industry’s anticipation of an impending turnaround, contributing to an overall sense of positivity in the sector.

Christian Roeloffs, Co-founder and CEO of Container xChange, noted that while some economists are transitioning from predicting a recession to a softer economic landing, the industry is maintaining its momentum. Roeloffs highlighted that despite remaining cautious, factors like a resilient economy, sustained consumer activity, and strategic investments are improving the outlook for the upcoming holiday season.

Roeloffs further explained, “It’s a shipper’s market this peak season as rates stabilise at below pre-Covid levels and capacity is abundant. Prices are low and this offers a great opportunity for exporters this peak season.”

However, Roeloffs also cautioned that although a technical recession was averted in the EU, the shipping industry would continue to face challenges from high inflation rates and elevated prices. He advised carriers and freight forwarders to anticipate rising expenses related to provisioning ships and supporting crew members. He mentioned, “Shippers might also experience increased costs for transporting goods, affecting overall supply chain costs.” Roeloffs pointed out that while short-term shipping demand could receive a boost, particularly for routes connected to countries with robust growth rates, cautious optimism is warranted due to the potential for less robust growth than expected.

Container xChange concludes that the trajectory of the shipping industry over the next few months is intricately tied to economic shifts, trade dynamics, and adaptations in the supply chain.

Williams, A. (2023). HOPE FOR CONTAINER-MARKET REBOUND: CONTAINER XCHANGE. Retrieved from <https://www.thedcn.com.au/news/logistics-and-supply-chain/hope-for-container-market-rebound-container-xchange/> on 22nd August, 2023.



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