#### Issue 145 8<sup>th</sup> September 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. 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



## DIRECT SANTIAGO TO MELBOURNE FLIGHT RETURNS

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D irect flights between Santiago, Chile and Melbourne have reopened for the first time since the pandemic.

Steve Dimopoulos, Minister for Tourism, Sport and Major Events, welcomed the return of LATAM Airlines, Latin America's largest airline, which restarted its direct flights to Melbourne with three flights per week.

The service is backed by the Victorian government and Melbourne Airport and is designed to efficiently link Victoria to Santiago, a major hub in Latin America, as well as other key markets within the region such as Argentina, Brazil, Peru and Mexico. According to the government, there are growing opportunities in the region for Victorian businesses in the agri-food, energy, mining and minerals industry. The flights would have a freight capacity of over 1560 tonnes annually using the Boeing 787-900 aircraft.

Lorie Argus, Melbourne Airport C.E.O, said the resumption of flights between Melbourne and Santiago boosts the number of international carriers flying into Melbourne back to levels before the pandemic hit. Ms Argus said, "prior to COVID-19, we had 36 airlines operating international flights into Melbourne Airport and returning to that number has taken hard work from our team and the Victorian state government."



Ackerman, I. (2023). LATAM RE-OPENS MELBOURNE ROUTE. Retrieved from https://www.thedcn.com.au/news/specialist-shipping/latam-re-opens-melbourne-route/ on 6th September, 2023.

## PUSH FOR UNIVERSAL ADOPTION OF ELECTRONIC BILLS OF LADING

he Future International Trade Alliance (FIT Alliance) has unveiled a declaration with the aim of promoting the widespread adoption of electronic bills of lading (eBLs) across the shipping industry. Established in 2022, the FIT Alliance's mission is to accelerate the utilisation of a universal eBL throughout all sectors of maritime trade.

The founding members of this alliance include BIMCO, the Digital Container Shipping Association (DCSA), FIATA, the International Chamber of Commerce, and the information exchange system Swift. Their collective goal is to garner commitment from global stakeholders to drive digitalisation, commencing with the adoption of eBLs in their respective sectors.

According to the International Chamber of Commerce, approximately 45 million bills of lading are issued by ocean carriers annually, with the majority being paper-based. The adoption of eBLs is expected to facilitate quicker transactions, save on costs and reduce risks of fraud.

The FIT Alliance views this declaration as a symbol of shared dedication to shaping the future of shipping. They believe that a universal eBL will benefit all stakeholders in the global supply chain, from bulk shipping to container shipping, and will accelerate trade digitalisation during a time when supply chain resilience is paramount. MSC, a founding member of DCSA, cited a McKinsey study suggesting that a universal eBL could potentially generate up to \$40 billion in new global trade volume. MSC and eight other DCSA members have committed to transitioning 50% of paper-based bill of lading activities to digital within five years, with a goal of achieving 100% digitalisation by 2030.

André Simha, Global Chief Digital and Innovation Officer at MSC and Chair of DCSA, agreed that the declaration marks a significant step toward universal eBL adoption. He called for collaboration among all global trade stakeholders, including shippers, forwarders, governments, financial institutions, and insurance agencies, to make universal eBL adoption a reality.

The FIT Alliance, established in February of the previous year, has been actively working to facilitate the acceptance of shared and interoperable data processes and legislative conditions across the broader shipping community. This includes carriers, regulators, banks, and freight forwarders, all aimed at advancing the digital transformation of maritime trade.

Williams, A. (2023). TRADE ALLIANCE LAUNCHES DECLARATION ON UNIVERSAL EBL. Retrieved from https://www.thedcn.com.au/news/law-regulation-trade/trade-alliance-launches-ebl-declaration/ on 6th September, 2023.





#### AUSTRALIAN AGRICULTURE: CHALLENGES AND RESILIENCE

ccording to the latest report from the Australian Bureau of Agricultural and Resource Economics and Science (ABARES), Australian agriculture, fisheries, and forestry are anticipated to achieve a production value of \$86 billion during the 2023-24 period. This projection, while substantial, represents a 14% decrease from the previous financial year's record-breaking \$92 billion, primarily due to drier domestic conditions and an expected decline in global commodity prices. Nevertheless, this still ranks as the third-highest yearly gross value on record, albeit a drop from the record heights reached in 2022-23.

Jared Greenville, the executive director of ABARES, highlighted the sector's resilience in the face of challenging circumstances. He explained that transitioning from a higher rainfall La Niña period to a drier El Niño climate is anticipated to result in belowaverage rainfall and warmer temperatures, which will likely reduce Australian crop yields and production compared to the previous year's remarkable achievements.

The Australian Crop Report, issued alongside the Commodities Report, indicates a 20% decline in total crop production value for 2023-24, estimated at \$46 billion. Dr. Greenville elaborated that national winter crop production is expected to reach approximately 45.2 million tonnes, slightly below the 10year average. Northern cropping areas have been particularly affected by drier conditions, whereas southern cropping regions have fared better thanks to unexpected winter rainfall.

In addition to crop challenges, ABARES foresees a decrease in summer crop plantings,

albeit still above average, due to lower expected rainfall in the coming spring and summer, mitigated by high water storage levels.

The livestock sector is not exempt from these challenges. Drier conditions are expected to lead to increased animal slaughtering as supply rises. Consequently, saleyard prices for cattle and sheep are expected to decline, with sheep prices falling below their long-term average. Concurrently, global meat prices are also decreasing. These factors are projected to reduce the value of livestock production by \$1.6 billion, bringing it to \$34 billion for 2023-24.

The impact of these production and price trends is likely to affect export performance, with the value of agricultural exports predicted to decrease by 17% to \$65 billion.

Dr. Greenville also emphasised that farmers are grappling with elevated input costs across key areas like fertilisers, diesel, and labour. High interest rates are adding to the financial burden by increasing debt repayment costs. Nevertheless, he underscored the resilience and competitiveness of Australia's agricultural sector, highlighting that the anticipated declines are coming off the back of record years that have helped build financial reserves. Despite the challenges ahead, the industry remains robust and capable of facing the future.

Williams, A. (2023). AG SECTOR VALUE DROPS WITH DRIER CONDITIONS AHEAD. Retrieved from https://www.thedcn.com.au/ news/specialist-shipping/guidelines-for-safely-transporting-evs-by-seapublished/ on 8th September, 2023.

#### SAFETY GUIDELINES FOR ELECTRIC VEHICLE TRANSPORTATION

lassification society ClassNK and the International Union of Marine Insurance (IUMI) have jointly issued comprehensive guidelines aimed at enhancing the safety of maritime transport for electric vehicles (EVs).

ClassNK has released two sets of guidelines: "Guidelines for the Safe Transport of Electric Vehicles" and "List of Fire Safety Measures for the Maritime Transportation of Electric Vehicles." which outline the nature of EV fires and provide recommendations for effective responses. ClassNK's guidelines were developed through collaboration with experts, operators, manufacturers, and stakeholders, in addition to thorough literature reviews. These guidelines also establish requirements for class notations for vessels equipped with enhanced firefighting measures for EV transport.

The "List of Fire Safety Measures for the Maritime Transportation of Electric Vehicles" details approximately 40 measures, including early detection, fire suppression, prevention of fire spread, and extinguishing methods. It presents information not only on the effectiveness and advantages of these measures but also potential challenges and considerations for their implementation and related technologies.

On the other hand, IUMI, representing 42 national and marine market insurance and reinsurance associations, has released its "Best Practice and Recommendations for the Safe Carriage of Electric Vehicles." This paper draws upon scientific research indicating that fires in battery EVs are neither more dangerous nor more frequent than fires in conventional vehicles. Statistics suggest that, in general, EVs experience fewer fires when driven over the same distance as their conventional counterparts. However, the paper highlights that thermal runaway, a condition where the battery undergoes an unstable chemical reaction, can pose challenges in extinguishing EV fires, making rapid mitigation measures like boundary cooling essential. Furthermore, there is an elevated risk of re-ignition for an extended period.

The IUMI paper distinguishes between roll-on/ roll-off (ro-ro) vessels and pure car and truck carriers (PCTCs) regarding the challenges of carrying EVs. Ro-ro vessels may stow cars on open decks, making firefighting more difficult due to air circulation. Ro-pax vessels introduce additional complications, including passenger charging demands and the possibility of older, less safe cars being loaded. In contrast, PCTCs often carry vehicles closely packed, limiting emergency access and promoting fire spread.

The paper's conclusion reinforces the critical importance of early fire detection and rapid response, including the use of thermal imaging cameras and AI-powered systems alongside conventional methods. Drencher systems and video monitoring should be installed on ro-ro and ro-pax vessels for firefighting, regardless of whether the fire involves EVs or internal combustion engine vehicles (ICEVs). Carbon dioxide extinguishing systems have proven effective for PCTC fires, while high-expansion foam fire extinguishing systems help prevent heat transfer between vehicles.

IUMI anticipates that the regulatory process will evolve to enhance safety requirements, ensuring they align with the increasing presence of alternative fuel vehicles on board vessels. The organisation remains committed to contributing to this ongoing discussion.

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Ackerman, I. (2023). GUIDELINES FOR SAFELY TRANSPORTING EVS BY SEA PUBLISHED. Retrieved from https://www.thedcn.com.au/news/ specialist-shipping/guidelines-for-safely-transporting-evs-by-seapublished/ on 7th September, 2023.

### PARLIAMENT PASSES EXPORT PROCESS STREAMLINING BILL

The Australian Parliament has recently passed a significant amendment bill with the aim of simplifying administrative procedures for exporters. This legislative change, known as the Export Control Amendment (Streamlining Administrative Processes) Bill 2022, was presented before Parliament to modify the Export Control Act 2020. The latter serves as the regulatory foundation governing the export of various agricultural commodities and goods from the country.

The primary objective of this amendment was to enhance information management, reduce bureaucratic red tape, and provide clarity regarding the intentions of the original 2020 act. Speaking during the bill's second reading in November of the previous year, Federal Transport Minister Catherine King emphasised the importance of keeping export control legislation relevant and adaptable to changing circumstances. She stated, "it is vital that export control legislation remains current and fit for purpose, keeping step with developments in importing country requirements, changing regulatory objectives, and industry practice advancements."

King further elaborated on the bill's objectives, saying, "this bill will achieve this by making information-sharing provisions within the export control legislation more flexible. It will support the Department of Agriculture, Fisheries and Forestry to streamline complex administrative and authorization processes to access and utilise the export control information that it already holds, such as trade statistics, industry information, and market intelligence."

Federal Minister for Agriculture, Fisheries, and Forestry, Murray Watt, expressed his enthusiasm for the amendments, highlighting their positive impact on streamlining the export process. He noted, "these changes will allow relevant information to be efficiently shared with regulatory partners, exporters, and other key stakeholders. The changes will make it easier for businesses to export their products by cutting down on administrative red tape and providing improved delivery of services."

Furthermore, Mr. Watt reiterated the federal government's commitment to enhancing the use and disclosure of export control information to foster growth and innovation within the agricultural export sector. "More efficient access to information benefits exporters and other stakeholders and will allow Australia to maintain its competitive edge by building better market intelligence. We will continue working with stakeholders to ensure that our export systems remain effective and fit for purpose", he advised.

It is worth noting that these amendments align with the government's broader reform agenda, including the Simplified Trade System. They also complement recent changes made to the Biosecurity Act 2015, aiming to establish consistency and predictability for stakeholders operating within the agricultural supply chain.

To ensure that Australia's export control legislation remains up-to-date and responsive to international market dynamics, regulatory shifts, and industry advancements, the Department of Agriculture, Fisheries, and Forestry conducts regular reviews of the legislation. This ongoing evaluation supports the nation's commitment to maintaining a robust and adaptable regulatory framework for its export industries.

Williams, A. (2023). Parliament passes bill to simplify exports. Retrieved from https://www.thedcn.com.au/news/law-regulation-trade/parliament-passes-bill-to-simplify-exports/ on 6th September, 2023.

# STAFF SPOTLIGHT

#### PIYA BUTMART CARTAGE COORDINATOR TOMAX LOGISTICS AUSTRALIA

What is your role at Tomax? I am a Cartage Coordinator.

What are your hobbies and interests? I enjoy working out by doing yoga, pilates, biking and boxing.

If you could only bring one thing to a deserted island, what would it be? A dog!

**Your proudest achievement?** Owning a condo and landing this job in Australia.

The most delicious thing you've eaten? Hard to say as I love almost everything! Maybe beef/pork rib noodles - yum!

Dream holiday destination? Maldives!

Your most used emoji?



#### Favourite childhood memory?

When I was young and lived in Bangkok, Thailand, I loved taking the bus to the zoo and park with my Dad. I was especially interested in a steel-made device which the conductors used to collect the bus fee. I asked my Dad if we could buy one but he said he was unable to. Instead, he hand crafted one out of bamboo just for me! I was thrilled despite it being impractical!





# FRIDAY FUNNIES

#### We hope the following spring jokes get the laughs blooming as we approach another weekend!

How does the sun listen to music? On the ray-dio!

Why did the farmer bury all his money? **To make his soil rich.** 

How can you tell the weather is warming up? There's a spring in people's step.

This spring, my mum opened a flower and gift shop. Business is blooming!

Why is spring a great time to start a gardening business? Because it's the season when you can really rake in the cash.

How do brand new spring flowers greet each other? "Hey Bud!" When is the best time to wash your slinky? **During spring cleaning.** 

What is a flower's favourite kind of pickle? A daffo-dill.

How do you plant a kiss in spring? With two lips.

When is it possible to plant flowers? When you haven't botany.

Why couldn't the little flower ride a bike? It didn't have any petals.

What do you call a bear caught in a spring shower? A drizzly bear.

Why did the man try to fix his bed? He heard there was a spring break.

What kind of bow cannot be tied or untied? A rainbow!

What beverage does a tree drink the most? **Root beer!** 

What type of bird should you never take to the bank? A robin.



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