



TOMAX  
NEWS

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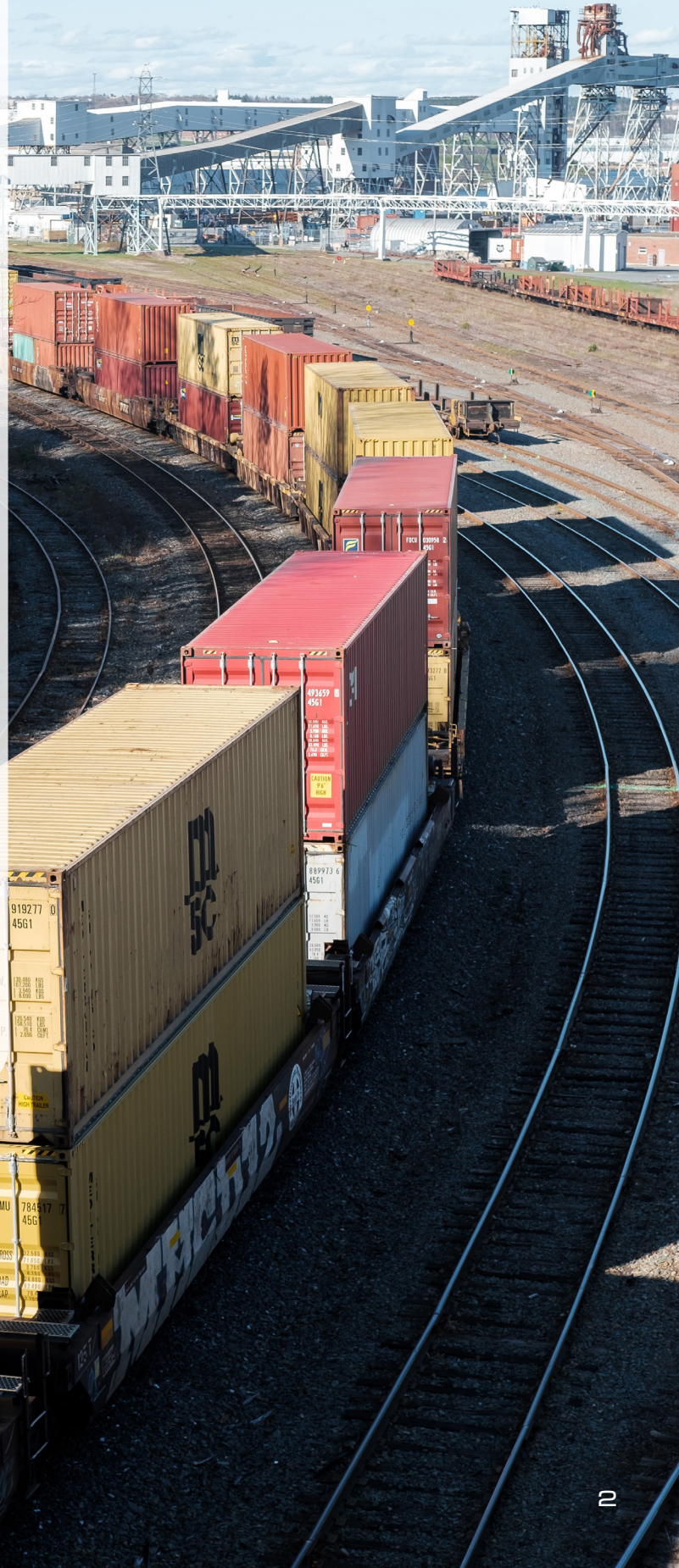
# MARKET SUMMARY

- -Ocean freight rates on the North Asia to Australia trade-lane are now predicted to reach over USD 10,000 per 40' during the 2021 peak shipping season. Many factors are contributing to the unrelenting price increases, including the reduced number of vessels servicing the trade-lane, empty container shortages, ongoing congestion in Australian ports mostly due to industrial action, and the re-introduction of blank sailings.

- Empty containers in the South China (especially the Pearl River Delta) region are becoming extremely difficult to procure making export arrangements from China even more challenging. Suppliers are encouraged to collect empty containers as soon as possible after the EIR is issued in order to avoid missing out on equipment.

- Airfreight rates from China to Australia have once again started to rise as many exporters/importers turn to air cargo options due to the increasing difficulty on sea trade-lanes.

- The FMC is investigating further into whether there is a need to intervene on the shipping line practices of sending containers empty on vessels from the USA to China, instead of allowing the containers to be used to carry cargo to other global destinations. Shipping lines are seeking to cash in on the extremely high rates on the China-USA trade-lane and the result is that empties and vessel space on export lanes are becoming booked up for months in advance.





# LATEST NEWS

## HEAVY BACKLOG DESPITE YANTIAN RESUMING TO NORMALITY

**A**fter weeks of disruption due to the COVID-19 outbreak among their dockers, the Yantian International Container Terminal (YICT) says will now return to normal operations.

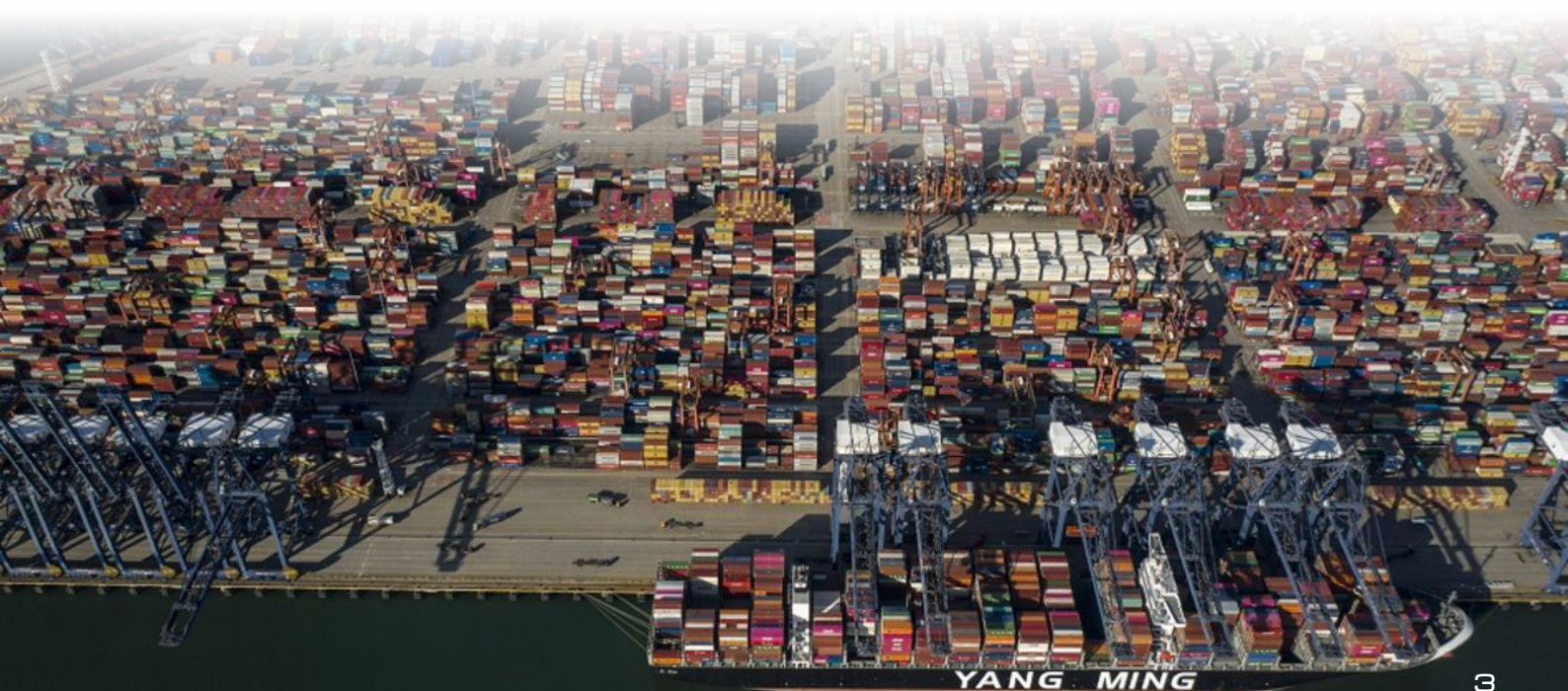
As the virus transmitted throughout the YICT workforce, operations dropped to about 20% of capacity, resulting in delays and congestion at ports across the Pearl Delta. Carriers soon became desperate, searching for alternative facilities to maintain the flow of cargo. Hutchinson Ports, which operates YICT, today announced that it had “taken proactive measures to steadily resume normal terminal operations”, it added, “currently, COVID-19 has been effectively under control in the port area, and the operation capacity of the terminals have steadily recovered.”

In addition, the company stated that all berths (including the West Port area) would return to normal operations and that the number of laden gate-in tractors would be increased to 9000/day, while the pick-up of empty containers and loaded import boxes remained at normal levels.

Within 7 days of the vessel's ETA arrangements for the acceptance of export containers will return to normal levels.

“Yantian will continue to strictly implement epidemic prevention, control measures and promote production in a safe and orderly manner”, Hutchison said. Although, the backlog of containers which are stranded at the port can eventually take weeks to clear as more cargo arrive to address the demands in both the US and Europe.

Source: Savvides, N. (2021). Yantian back to normal tomorrow, but box backlog will take weeks to clear. Retrieved from <https://theloadstar.com/yantian-back-to-normal-tomorrow-but-box-backlog-will-take-weeks-to-clear/> on 24th June, 2021.



# A FUTURE WITH HYDROGEN POWERED TRUCKS

In a world first, last year, Hyundai announced their shipment of seven of its XCIENT Fuel Cell trucks, the world's first mass-produced hydrogen heavy-duty fuel cell truck. These 7 trucks were sent to Switzerland, mainly due to Hyundai Hydrogen Mobility, the vehicle company's joint venture with Swiss company H2 Energy.

The Hyundai XCIENT truck is powered by a dual 95-kW hydrogen fuel cells. 7 large hydrogen tanks offer a total storage capacity of about 34 kg of hydrogen. The engine has an output of 350 kW and the system is supplemented by a 73.2 kWh battery. All up, in a 34-ton truck and trailer configuration with a refrigeration unit, this should produce a range of an estimated 400 kilometres.

Switzerland is also producing six hydrogen filling stations located in Hunzenschwil, St. Gallen, Rümlang, Zofingen, Berne and Crissier. These filling stations dispense green hydrogen and will be completed in 2021.

Many believed that the hydrogen industry would always remain a utopian vision of the future, but Switzerland proved the possibilities for electrically powered commercial vehicles and passenger cars to be refuelled with clean hydrogen and driven without CO2 emissions.

Hyundai's production target of the XCIENT Fuel Cell is forecast to hit 2,000 towards the end of 2021, with trucks made for USA, Europe and China. In the US alone, Hyundai predicts to have 12,000 fuel cell trucks on its ads by 2030.

Cheol Lee, Executive Vice President and Head of Commercial Vehicle Division at Hyundai Motor says, "the delivery of XCIENT Fuel Cell starts a new chapter not only for Hyundai's hydrogen push, but also the global community's use of hydrogen as a clean energy source."

The delivery marks the start of endless possibilities for clean mobility. After the successful delivery of the first XCIENT Fuel Cell trucks, there will be future plans to expand beyond Europe to North America and China where progress is already being made.

Unfortunately, due to being a small, distant market as well as the requirement for trucks to be right-hand drive, the likelihood of seeing the XCIENT Fuel Cell trucks on Australian roads will not occur until after 2025.

Fitzgerald, S. (2020). World's first mass-produced hydrogen powered truck. Retrieved from <https://imoveaustralia.com/news-articles/freight-and-logistics/world-first-mass-produced-hydrogen-powered-truck/> on 25th June, 2021.





# FTA PARTNERS WITH CERTIS SECURITY TO SAFEGUARD BORDERS

**F**reight & Trade Alliance (FTA) has partnered with advanced integrated security experts Certis Security Australia to protect Australian supply chains.

The partnership was formulated after an increased prevalence of seizures combatting international crime syndicates by the Australian Border Force (ABF). Recently, the ABF has seized record volumes of imported cargo bringing in prohibited and restricted goods.

Director at FTA, Paul Zalai, says due to ports becoming congested this has led to more intermodal terminals and licensed premises receiving goods. Paul says, “in order to safeguard the community, it’s important these facilities operate under stricter regulatory controls that maintain the same security as a port or airport. It’s no longer enough to install a barbed-wire fence and CCTV surveillance as the entire security operation.” He notes that organisations should collaborate with industry leaders to design and implement more sophisticated, complex technology-led

security systems. Certis Security Australia will work to deliver multi-disciplinary integrated services.

General Manager at Certis Security, Christian Dorau, believes the partnership will assist with handling the increased volume of products transported through supply chains as a result of the pandemic. He says, “in ensuring each product entering our borders is compliant with Australian legislation, the right security talent and technologies is needed at every step of the supply chain. By working closely with FTA and its partner organisations, we can build better security practices into the supply chain to ensure a safer Australia.” Furthermore, he says the security experts take pride in working with the FTA to safeguard the Australian borders.

Friend, B. (2021). Freight & Trade Alliance partners with Certis Security to protect borders. Retrieved from <https://mhdsupplychain.com.au/2021/06/21/freight-trade-alliance-partners-with-security-specialist-to-protect-borders-certis/> on 25th June, 2021.





# SCURRAH'S FOCUS ON INLAND RAIL

**P**aul Scurrah amplifies the sentiment that Inland Rail will be central to the country's economic future, in one of his earliest interventions since stepping up to the role of Pacific National (PN) MD and C.E.O.

Scurrah also touches on a number of national intermodal transport issues through the lens of rail freight, while speaking at the Australian Logistics Council/Australasian Railway Association Inland Rail Conference in Albury. He says, "like the deputy prime minister, I'm of the firm opinion it will form the future economic backbone of Australia."

Project critics highlighted the lack of direct paths in to Melbourne and Brisbane container ports as a prime weakness in its design, nominating the added cost in money and time of double handling as its constraints on growth.

Scurrah has a different viewpoint, who says, "in the meantime, Pacific National welcomes the Australian and Queensland governments joint initiative to undertake detailed studies to identify and preserve a dedicated future rail freight connection to Port of Brisbane. Indeed, urban intermodals and rail port-shuttles are an incredibly effective way for governments to improve road safety and reduce traffic congestion and vehicle emissions. They have the effect of acting as 'pressure valves' along supply lines to help relieve tension and congestion in the overall transport network."

He continued, "PN estimates more than 60 percent of interstate rail freight volumes flow southwest of Melbourne through to Adelaide and then Perth. Furthermore, the area west of the port at Truganina is a key location for major freight forwarders, shippers, and their customers. Developing a major intermodal terminal more than 50 kilometres north of the port will result in perverse social and environmental outcomes, including more than 400 extra daily truck movements on Melbourne roads; notably on the Hume Highway. And once trucks are travelling north on the highway out of Melbourne,

they will simply continue all the way through to Sydney. This is a classic example of how governments need to be acutely aware of the dynamics of local, regional, and interstate freight movements and how they interact and impact on the broader transport and logistics network."

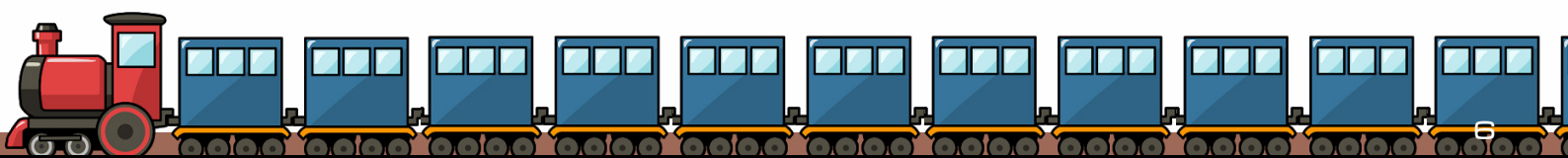
On the route itself, he nominates key points to allow Inland Rail to be a success:

- an alignment that allows a transit time between Melbourne and Brisbane of less than 24-hours – a trip which can currently take up to 36-hours. This would help rail "compete on a level playing field with road freight", especially given the truck-boosting Newell Highway upgrades.
- a relatively straight track that can handle 25-tonne axle loads at 80km/h, with future proofing for 30 tonnes. Scurrah points out that twists and bends are not ideal when you are running freight trains almost two kilometres in length. "I congratulate ARTC for also future proofing the design to one day allow the operation of 3.6-kilometre freight trains like in North America," he says.

Scurrah raises his concern at the competitive impact on Australian rail brought by global shipowners free by various nationally accepted conditions, seeing it as but one of a number of moves unconstrained by deep analysis or strategic, harmonised national policy development.

He noted that, "any further regulatory relaxation of how internationally registered cargo vessels access and operate in Australian waters will invariably see rail mode share decline on critical east-west and north-south freight corridors, including the future Inland Rail. During the height of the pandemic when movements of foreign flagged cargo vessels were severely impacted, domestic land-based freight operations played a critical role in 'plugging the capacity gap', notably hauling much-needed volumes across to the west. As a former CEO of a stevedore, I understand and appreciate the ongoing critical role of coastal shipping in the overall freight transport mix. However, it cannot be promoted at the expense of domestic freight operations which must comply with Australian safety, employment, and labour laws."

Source: Fully Loaded (2021).





# STAFF SPOTLIGHT



## MEET ZOE PEI

**Export Operations**  
**TOMAX LOGISTICS AUSTRALIA**

### FAVOURITE CUISINE?

I love Japanese cuisine.

### WHAT ARE YOUR HOBBIES AND INTERESTS?

I enjoy karaoke, baking, drawing and photography. Below are some of Zoe's baked goods...Yum!

### WHAT IS YOUR ROLE AT TOMAX?

Export Operations

### WHERE IS THE NEXT PLACE YOU WILL BOOK A HOLIDAY?

Japan!

### MOST PROUDEST MOMENT?

Working for Tomax.

### SOMETHING YOU ARE LOOKING FORWARD TO?

I will soon be owning a white, fluffy cat named George (pictured below)!





# FRIDAY FUNNIES

We hope these jokes can lift your mood as we approach another weekend!

What do you call a bear with no ears?  
**A "B"!**

What kind of key opens a banana?  
**A mon-key!**

What does an artist do when they are feeling cold?  
**They put on another coat!**

What did one wall say to the other?  
**I'll meet you at the corner.**

Why did the boy throw a stick of butter out the window?  
**Because he wanted to see a butterfly!**

What kind of room doesn't have doors?  
**A mushroom!**

Where do cows go on Friday nights?  
**They go to the moo-vies!**

What do you call a pig that paints?  
**Pig-casso!**