



### NEW CHINA-AUSTRALIA SHIPPING SERVICE

P World Australia has secured a new shipping service into Australia with international carrier T.S. Lines. The service aims to connect Australia to Chin's major shipping hubs. The new commercial freight service was welcomed with the arrival of Ship T.S Haipong at the DP World Sydney terminal, with future ships secured for the Sydney, Melbourne and Brisbane terminals. The CA2 service is a 42-day rotation with has direct weekly sailings from China to Australia in order to provide additional capacity to support an increase in the demand of imported goods. Seven vessels will be deployed linking Australia's leading terminals: Sydney, Melbourne, Brisbane to China's Qingdao, Ningbo, Shanghai and Nansha ports.

Andrew Adam, CEO of DP World Australia, said, "in a highly competitive market, locally and globally, securing this new shipping service with T.S. Lines reinforces our service performance levels, which continue to see minimal delays at our ports."

Alan Sims, Director of Seaway, T.S Lines' Australian agent believes the partnership strengthens its ability to service Australian customers. He said, "we are pleased to introduce T.S. Lines' new CA2 service into Australia, further building on our capacity and service to our customers. We are confident the CA2 will be well received given the growing demand in our trade-lane...we look forward to continuing our strong relationship with DP World Australia and their clear focus on service delivery."

Ackerman, I. (2021). T.S. Lines signs with DP World Australia for new service. Retrieved from https://www.thedcn.com.au/news/ports/t-s-lines-signs-with-dp-world-australia-for-new-service/ on 17th August, 2021.

### IMPACTS ON THE SUSPENSION OF AMERICAN AIRLINES SERVICES

onfirmation was received yesterday that American Airlines are suspending their passenger flights into Australia for a period of 2 months effective 1st Sep 2021.

Despite our very successful cargo-only operation, the opening of borders in the Northern Hemisphere has seen a redeployment of wide body aircraft into flying passenger routes. This upsurge in tourism has seen an unprecedented demand for wide body passenger aircraft into regions normally serviced by narrow body planes.

As Northern Hemisphere markets return to travel, busting to get out of their locked down cities and spend their locked up cash, airlines must contemplate the best place to deploy their assets to restore their depleted balance sheets.

While July's passenger cap reduction is understood to have been made in the best interest of protecting the Australian population, and to avoid overwhelming our quarantine facilities, the result is that Australia is even less attractive as a place to deploy aircraft. Demanding high aircraft hours, and offering next to zero returns at a time when the Northern Hemisphere is rebounding strongly, Australia is likely to lose more foreign fleet while our borders are closed. Northern Hemisphere recovery didn't need to contend with. As the northern markets returned to flying, aircraft were pulled out of the desert and put back to work. In Australia's case, our business cases will need to be strong enough to pull aircraft out of northern hemisphere routes where they are likely to be making good money for their owners / lessors.

There is potentially some seasonality to be leveraged to our advantage, if the timing happens to be right. However, for the most part, the longer our borders are closed while the rest of the world gets back to work, the bigger the gap between Australia's aviation recovery, and that of the rest of the world, gets.

> "The gap between Australia's aviation recovery and that of the rest of the world gets larger, and will get larger still, with the decision by American Airlines to pull out of Australia simply being the first in what we can expect to be a number of similar withdrawals." – Sara Hales (Head of Aviation and Air cargo – FTA/APSA, Director AVISTRA)

ource: Freight & Trade Alliance (FTA)

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The challenge isn't just short term though. When we are ready to fling the doors open and welcome the world in again, we will have to compete for aircraft with markets whose recovery is more established. There will be an opportunity cost to deploying fleet back to Australia – which the

## NINGBO TERMINAL OPERATIONS

S ince the 11th of August, Ningbo Meishan Island International Container Terminal (MSICT) has been closed as a result of a COVID-19 case found among one of the workers. Shipping lines have been omitting Ningbo and congestion off Ningbo-Zhoushan and Shanghai is steeply climbing. Warehouse operations at Ningbo Bluedragon Longfei and trucking of empty and full containers in and out of MSICT has been suspended.

However, other terminals at Ningbo-Zhoushan are reportedly operating as per usual. Relief will be felt among shippers wishing to move their cargo via the Meishan Island Container Terminal at Ningbo-Zhoushan Port, as within a few days it will be partially reopen. Although there have been no new cases of COVID-19, the 6th September was set to be the earliest date for operations to resume.

Maersk Line, has announced that ships in its vessel-sharing agreement with CMA CGM on its AC6 Asian to South American service, will stifle calls at the Meishan terminal for the remainder of August. This is inclusive of cargo on the APL Barcelona, Seaspan Oceania, CMA CGM Musca, APL Le Havre and Hanover Express. CMA CGG Hydra will be receiving cargo. According to Maersk, warehouse and trucking into the terminal are currently banned however, with the news of the partial reopening this may change soon. Data company, project 44 said, "if a phased reopening begins this week to tackle the backlog, full resumption of operations may only be possible by the beginning of September." There are currently 41 ships at anchor awaiting a berth and cargo handling at the Meishan terminal, according to project44. However, the number of port calls missed was not as significant as predicted, with 188 calls received per week being the average, which has dropped by 22% to 146 due to carriers being redirected to different terminals. Only 15 blank sailings have been reported. Project44 added, "normal TEU capacity for vessels mooring at Ningbo dropped from 168,520 TEU to 103,064 TEU signalling a decline of 39% from 11th-16th of August." Ningbo has processed an average of roughly 77,000 TEU/ day over the previous few days, which is a mere 10% lower than its average in July.

Sources: Ackerman, I. (2021). Ningbo terminal still shut, congestion deepens. Retrieved from https://www.thedcn. com.au/news/containers-and-container-shipping/ ningbo-terminal-still-shut-congestion-deepens/?utm\_ source=DCN+Daily+Newswire&utm\_campaign=12e4cbe00b-EMAIL\_ CAMPAIGN\_04\_27\_2021\_COPY\_01&utm\_medium=email&utm\_ term=0\_505d67c448-12e4cbe00b-143548541 on 20th August, 2021.

Savvides, N. (2021). Relief for shippers as Ningbo's Meishan Island is set to reopen. Retrieved from https://theloadstar.com/relief-for-shippers-as-ningbos-meishan-island-terminal-is-set-to-reopen/ on 18th August, 2021.



### **BOXBAY - THE FUTURE OF CONTAINER STORAGE AND RETRIEVAL**

lobal terminal operator, DP World, has announced that the trial for their new Boxbay high bay storage system located in Dubai's Jebel Ali Port has been completed. The trial confirms the technology is able to function in a real-world simulation.

With over 63,000 container movements being completed at the facility, DP World revealed that the test exceeded their expectations with higher speeds and greater energy efficiency than predicted. The Boxbay system is a joint collaboration between DP World and SMS Group, a German industrial specialist. The facility has a capacity of 792 containers at a time and stores them in a steel rack up 10 11 containers high. The company stated that the system delivers three times the capacity of a conventional yard whereby containers are stacked above each other.

The Boxbay system consists of containers moving in, out and between slots via automated cranes inbuilt in the structure. The entire system is powered by solar energy through the panels on the roof. Access to specific containers can occur without the need to move the others aside.

Sultan Ahmed Bin Sulayem, DP World Group Chairman and CEO, believes the test verifies Boxbay's influence on revolutionising the operation of ports and terminals. He says, "the technology we have developed with our joint venture partner SMS group dramatically expands capacity, increases efficiency, and makes the handling of containers more sustainable. Boxbay is part of DP World's vision to apply innovation to enable global trade and be a provider of smart logistics solutions."

Mathias Dobner, Boxbay Chairman and CEO, his company and its partners are pleased with the outcome of the first six months of operation saying, "in important parameters such as performance, reliability, energy consumption and many more, our goals have been exceeded by far. For ports worldwide, this innovative and disruptive technology will not only increase their over-the-quaywall handling volumes and container storage capacity, but will also allow them to make a further step towards sustainability, as power regeneration and solar panels on the roof help reduce the carbon dioxide footprint to a minimum."

To view a 3D tour of Boxbay, visit https://www. box-bay.com/

Ackerman, I. (2021). Automated container storage and retrieval tests show promise. Retrieved from https://www.thedcn.com. au/news/logistics-and-supply-chain/dp-world-boxbay-system-tests-show-promise/?utm\_source=DCN+Daily+Newswire&utm\_campaign=12e4cbe00b-EMAIL\_CAMPAIGN\_04\_27\_2021\_COPY\_01&utm\_medium=email&utm\_term=0\_505d67c448-12e4cbe00b-143548541 on 20th August, 2021.



# FRIDAY FUNNIES

We hope these jokes lift up your mood as we welcome the weekend!

I used to disapprove of organ transplants, but now I've had a change of heart.

Biologists have recently produced immortal frogs by removing their vocal cords. They can't croak.

I was worried about my transplant surgery, but the surgeon really de-livered.

Why did the balloons run away from the concert? They were playing pop music!

My dog's not misbehaving during his walk he's just renegotiating the terms of his leash.

How do you avoid burning Hawaiian pizza? Cook it at aloha temperature.

The best way to stop a charging bull is to take away his credit card.

The chicken crossed the playground to get to the other slide.

What do you call a duck that steals things from the bathroom? A robber ducky.

What do ducks get after they eat? A bill.

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