



TOMAX  
NEWS

Issue 81  
20<sup>th</sup> May 2022

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PLUS:



# FREE CLIENT TRAINING DAY

## FREE CLIENT TRAINING DAY

**Location:** Tomax Clayton HQ  
19/202 Ferntree Gully Rd,  
Clayton VIC 3168

**Date:** 14th June 2022

**Time:** 9AM to 2PM

Tomax is pleased to announce that we will be running another training day on Tuesday 14th June for any clients who would like to have staff attend. Many of the Tomax team will present different modules during the day covering all areas of international and domestic freight, including Incoterms, ocean shipping, customs, quarantine, transport and warehousing. During previous sessions the attendees were able to obtain a lot of information that helped in their day to day work. If you would like to have any of your team attend this free session **please email your interest to Jessica Kong - [jessica@tomax.com.au](mailto:jessica@tomax.com.au)**.

There are limited places available.



## GAZETTE TARIFF CONCESSIONS (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. 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](#)

# DECARBONISING SHIPPING REQUIRES HUGE EFFORTS

Recent data has shown how the global shipping industry will need the equivalent of the world's entire current renewable energy demand in order to replace fossil fuel use. Fuelling the Fourth Propulsion Revolution by Professor Dr Stefan Ulreich from Germany's University of Applied Sciences, and commissioned by the International Chamber of Shipping, focused on the "enormous opportunity" for investors and governments represented by the global shipping industry's need for new, green fuels.

To achieve the industry's 2050 (net) zero goal, shipping's fuel needs would require electricity from renewable sources to increase by up to 3000 TWh, which equates to the entire world's current renewable energy production. This would mean an 18-fold increase in existing renewable production capacity.

Taking the global trading of hydrogen as an example, the report identified substantial benefits for exporting and importing countries, especially in the Global South. This is due to the expected differences in production costs of such fuels across the world. The cost range reflects the abundance of renewable potential, such as solar and wind power, in many African and Latin American countries, which can generate the electricity needed in the production of hydrogen fuels at a lower cost. The report identified the first movers who are looking to seize these investment opportunities, namely Germany, Algeria, and Chile, who have signed multiple bilateral agreements on the production of hydrogen fuels (seen as key for powering ships).

The World Ports Conference in Vancouver, urgently called for increased research and development in green fuels, specifically developing production infrastructure in key geographic locations such as Latin America and Africa. Additionally, estimates show a production potential of more than 10,000 TWh for (net) zero carbon fuels in coastal regions worldwide. Shipping views investment in these areas as key to helping countries realise the potential gains present in their bilateral agreements.

Currently, there is a lack of investment in zero-emission technologies, with the total amount of corporate research and development investment for maritime sectors decreasing from US\$2.7 billion in 2017 to US\$1.6 billion in 2019. Yet by 2050, at least half of (net) zero fuels traded globally are expected to be moved by ships, according to the International Renewable Energy Agency (IRENA) which indicates that maritime is a key driver of the decarbonisation of land-based industrial sectors.

Prof. Dr. Stefan Ulreich said, "to meet the enormous demand for hydrogen-based fuels in the Global North, production centers in the Global South are urgently needed. While governments are beginning to realise the need to transition to fuels like hydrogen, little thought to date seems to have been given to how they will actually transport those fuels. Shipping must be part of wider energy transition negotiations, and shipping and ports are going to need investment. But with this investment comes huge opportunity for return."

Daily Cargo News. (2022). COLOSSAL AMOUNT OF RENEWABLE ENERGY IS REQUIRED TO DECARBONISE

SHIPPING. Retrieved from <https://www.thedcn.com.au/news/environment/colossal-amount-of-renewable-energy-is-required-to-decarbonise-shipping/> on 19th May, 2022.



# CELEBRATING THE INTERNATIONAL DAY FOR WOMEN IN MARITIME

This Wednesday 18th May was the inaugural International Day for Women in Maritime, a day dedicated to acknowledging and celebrating women across the maritime industry. This year's celebratory theme was "Training-Visibility-Recognition: Supporting a barrier-free working environment", welcoming all industry stakeholders to participate.

Kitack Lim, IMO secretary-general, said the observance aims to promote the recruitment, retention and sustained employment of women in the sector and support work to address the current gender imbalance. Mr. Lim said, "on this inaugural International Day for Women in Maritime, let's take this opportunity to celebrate the many women who are contributing to the future of maritime: navigators, engineers, surveyors, CEOs, managers, representatives of government and industry, those chairing IMO organ meetings and women in every other role across the industry. Women are working in all facets of the maritime sector across the globe to support the transition to a decarbonised, digitalised and more sustainable future for the industry."

He noted that maritime is an industry for everyone, and that involvement should not be influenced by gender, but by what each person can do. He continued, "there is still a gender imbalance in maritime, but times are changing as it becomes recognised that diversity in maritime benefits the entire sector. Let's work to break down barriers and ensure that we create a work environment that is enabling, supportive and inclusive of diverse participation by all, without hindrance in the maritime community."

Alison Cusack, principal lawyer at Cusack & Co, believes the IMO's launch of a day dedicated to women in maritime re-confirms that the push for gender equality needs to be taken seriously. "It demonstrates that the conversation hasn't moved along far enough from the IMO 2019 theme of empowering the maritime community, because we had an entire year of empowering the maritime community and the needle didn't really move," she said.

Ms Cusack further explained how women and men in the industry can support the transition

from discussions to visible change. She said, "for women, it is accepting help, accepting compliments, accepting good feedback and accepting opportunities. I've been asked what the biggest barrier to empowering women is, and it's women not taking opportunities life presents to them."

In the past, women have turned down speaking opportunities due to the fear of not being qualified or subduing their participation and interaction with others in a course or program. To combat this, she encourages men to play a part in empowering women by refusing to be bystanders and asking women how men can best support them in a given situation.

Ms Cusack also challenged the damaging remarks aimed at those standing up for gender equality in the industry, saying, "we should be encouraging and supporting our advocates and giving them positive feedback instead of letting them fly the flag by themselves in the hail of criticism."

According to Ms Cusack, areas demanding attention as the industry moves forward in gender equality include securing paid maternity leave more widely and creating safer working environments for women working ashore and at sea. She supports women across the maritime industry to work confidently and continue to create networks of support. "The game is rigged. Your existence in this industry is already a win. The aim is not to win, because you've already won", she says.

Williams, A. (2022). CELEBRATING THE INAUGURAL INTERNATIONAL DAY FOR WOMEN IN MARITIME. Retrieved from <https://www.thedcn.com.au/news/logistics-and-supply-chain/celebrating-the-inaugural-international-day-for-women-in-maritime/> on 19th August, 2022.



# CHAOTIC PEAK SEASON FAST APPROACHING

**A**bout 260,000 TEU of Shanghai's unshipped cargo is set to swamp the market this summer, making the peak season "even more chaotic" than last year.

New analysis from Drewry indicated that China lockdowns have stored up problems for a global container distribution system "already severely stressed and facing reduced capacity due to pervasive congestion". There was little impact on vessel calls during the start of the latest Shanghai lockdown, but a reduction in calls accelerated from mid-April.

"Drewry estimates that up to 260,000 TEU of export cargo was not shipped from Shanghai in April, because of the lockdown. This is the equivalent of 26 fully loaded 10,000 TEU containerhips that will have to be found somehow in future months as supply chains are reactivated. The greatest uncertainty is when China's lockdown restrictions will end, and the 'bullwhip' impact this will have across the supply chain. Liner shipping schedules will also take at least one rotation to normalise. This would mean that, even if lockdowns were to end today, the predictability and capacity of the container distribution system would be jeopardised during summer peak season."

Indeed, 51% of forwarders, traders and shippers surveyed by Container xChange are expecting this year's summer peak season cargo surge to be even more chaotic for global supply chains than in 2021. 58% of respondents reported that China's lockdowns had made it "hard to produce/ship as much product as planned", suggesting "cargo

backlogs and unsatisfied demand are building as China's zero-Covid strategy limits exports to Europe and the US".

Christian Roeloffs, co-founder and CEO of Container xChange, said, "one big question is whether China is going to sacrifice its zero-Covid policy to get trade and its economy moving again. If it does, then there's every sign that we'll see a substantial surge as backlogs of exports are shipped. If lockdown rules are relaxed soon and truckers are allowed to get back to work, those backlogs will be arriving at the same time as peak season orders, which could cause a lot of supply chain blockages at ports in Europe and the US, where congestion is already widespread."

However, Mr Roeloffs added that there were very few indicators President Xi was willing to compromise his health policy to boost trade, and other economic factors are in play too, explaining, "the other side of this coin is demand. Whether it is GDP forecasts, Purchasing Managers' Index numbers, rising inflation or consumer confidence, multiple metrics suggest demand could be deflating. That could help offset any sudden rush of cargo from China, especially as there are also signs that consumers are spending more on services instead of products."

Whelan, S. (2022). Peak season could be Shanghai'd by a 260,000-container surge. Retrieved from <https://theloadstar.com/peak-season-set-to-be-shanghai'd-as-260k-boxes-bullwhip-market/> on 19th May, 2022.



# MISDECLARED LI-ION BATTERY SHIPMENTS IGNITES HAVOC

**W**ith the increasing prevalence of lithium-ion (Li-Ion) batteries onboard containerships and their rising misdeclarations, this strikes as a major concern for marine insurers. A recent report by Allianz Global Corporate and Specialty (AGCS) highlighted that misdeclared cargo was a leading factor in a number of near-miss incidents, due to false declarations labelling them incorrectly as ‘computer parts.’

In one instance, the U.S Coast Guard reported a fire which caused temperatures “hot enough to create a hole through the metal container’s structure. Battery fires are proven to be so challenging that even land-based crews are forced to introduce new and sometimes experimental, measures to battle them. In contrast to regular fires, battery fires can continue burning despite being deprived of oxygen and often, dousing the flames with water can exacerbate it. This is due to the lithium’s reaction to the water, forming lithium hydroxide and flammable hydrogen gas. The flames are best extinguished by cooling down the cells individually.

In addition, experts believe the ships’ onboard firefighting capabilities, especially on large vessels, are insufficient to tackle even ordinary fires. “There are more fires emerging from misdeclared cargoes of batteries confirmed as the source. So it is not speculation to say

the problem is increasing”, an expert advised, “there is probably no limit to the size of ships, so long as the factors to manage risk are proportionately secure. But they are not. Firefighting systems are limited in terms of reaching high up. The number of crew on board is limited - lean manning has become the accepted model of ship operations.”

For car-carriers, the implications are just as bad, with rising numbers of electric cars being transported. It has not been confirmed whether the presence of Li-Ion battery-powered cars was the cause of the fire on *Felicity Ace* a few months ago, however authorities agreed it was certainly a contributing factor.

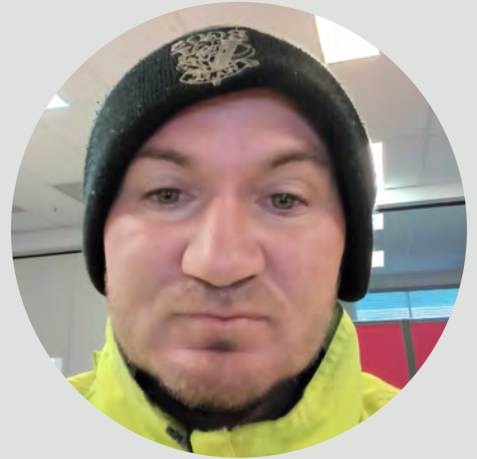
“Lithium-ion batteries are a known issue for the shipping industry and the wider logistics industry, where there have been a number of near-misses in ports and during transport. Batteries are not only a potential cause of fire, they also aggravate the problem, as battery fires are very difficult to extinguish and have the potential to reignite, days or weeks later”, said Régis Broudin, global head of marine claims at AGSC.

Bartlett, C. (2022). Misdeclared Li-Ion battery shipments a rising threat to shipping. Retrieved from <https://theloadstar.com/misdeclared-li-ion-battery-shipments-a-rising-threat-to-shipping/> on 17th May, 2022.



# STAFF SPOTLIGHT

## MEET ROB RAWLINS ASSISTANT WAREHOUSE MANAGER TOMAX WAREHOUSING PERTH



### What do you do at Tomax?

I am the Assistant Warehouse Manager at Tomax Perth and look after Admin related duties.

### Name your hobbies and interests?

Football, Rugby League, Oz Tag, Rugby, Spring Football...as you can tell, I love my sports!

### Describe yourself in three words?

Trustworthy, honest and reliable.

### If you could have an endless supply of any object, what would it be?

M&Ms!

### Which song never fails to get you on the dance floor?

I think any song could get me on the dance floor - as long as it has a good beat.

### Your dream holiday destination?

Japan.

### Do you have any hidden or not-so-hidden talents?

I can run for ages!



# SUDOKU

See if you can solve the following Sudoku Puzzle!

Answer:

