



TOMAX
NEWS

Issue 93
12th August 2022



PLUS:



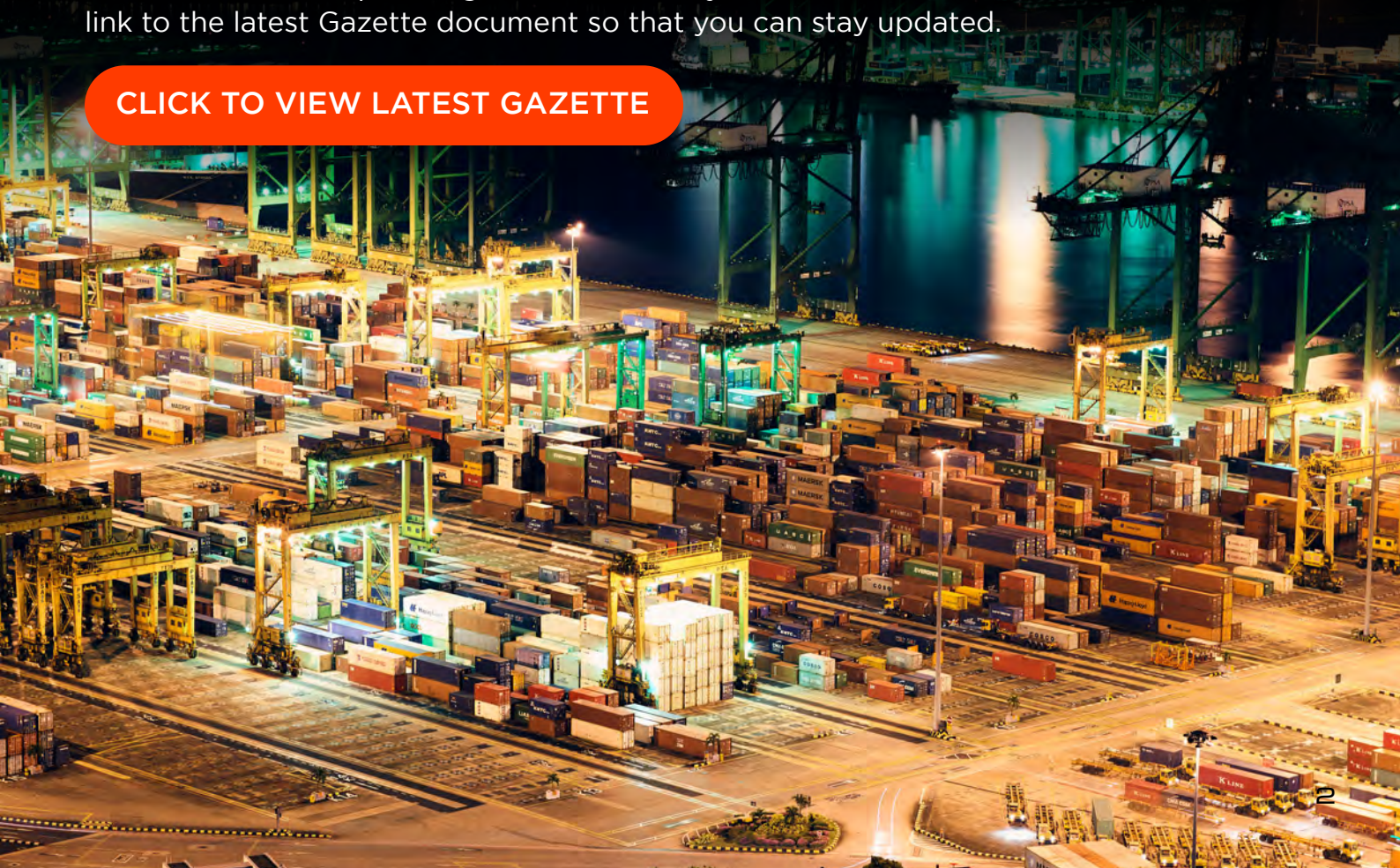
MARKET SUMMARY

- There has been some better news for Australian importers over recent weeks with a strengthening in the AUD against the USD, and reductions in freight rates from many origins. The battle continues however in relation to timeslots at container terminals, domestic transport expenses, and empty container dehirng.
- Space on vessels out of Australia remains incredibly tight with booking delays of 4 weeks the average for most destinations. For any FCL export bookings please contact the Tomax team as early as possible in order to secure appropriate space on a vessel.

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. 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](#)





PREVENTING CONTAINERS LOST OVERBOARD

Following the recent container loss offboard vessel APL Vanda, the issue of boxes lost at sea and preventative measures to resolve this has resurfaced into the spotlight.

After battling heavy weather en route from Singapore to Suez, the CMA CGM vessel suffered a stack collapse, losing 55 containers overboard from a single bay. With no reported injuries, the 17,300 TEU ship docked in Djibouti to clear any damaged containers, then continued the voyage. This would have been relieving to shippers with cargo onboard who got stuck into CMA CGM for delays informing them of the arrangements for discharging boxes. However, those with cargo inside the 55 boxes did, as expected, not have anything discharged. For them, insurance claims are likely to be filed. How this accident occurred has sparked discussion which so far has focused on monsoon winds blowing from the equator to the Indian Sub-Continent, which evoked the heavy swells. These swells on the ship's port bow to port beam may have resulted in synchronous rolling and container loss on the starboard side.

Synchronous rolling of ships involves waves coming onto the ship's beam and quarter, which synchronise with the ship's natural roll period. The two can merge to result in violent rolling motions. Meanwhile, parametric rolling tends to affect vessels such as containerships with a large bow and stern flares.

Larger waves that are equal in size to the ship's length and a wave period that is half the ship's natural roll period, can swiftly trigger violent rolling, which can put extreme loads on container lashing and securing gear. Unfortunately, the monsoon season occurs annually, so the loss of containers is not a new issue. Last year, this became a topic for the mainstream media in New Zealand following several major international incidents within a few months.

The ONE Apus lost about 1800 boxes overboard in the Pacific en route to Long Beach. Earlier, ONE Aquila also suffered a container loss in the North Pacific, approximating over 100, followed by the loss of 36 containers from Evergreen's Ever Liberal. Maersk Essen also lost about 750 containers en route to Los Angeles from China.

The World Shipping Council (WSC) recently published its Containers Lost at Sea Report 2022, which observed a "worrying break" in the previous downward trend for container losses at sea. In 2020, almost 4000 containers were lost and in 2021, 2000 boxes were lost. Those were the second and third worst years in the history of the survey, which has been conducted on a three-yearly basis since 2008. In other years, losses peaked at around 1500 or dipped below 1000. A three-year average annual loss trend of 779 containers was reported in 2019.

In 2021, international liner carriers managed 6300 ships, delivering about 241 million containers. Overboard losses represented less than one-thousandth of 1% (0.001%) that year. While these latest increased losses are just a tiny fraction of the amount of cargo carried in boxes worldwide, the WSC accepts that “every lost container overboard is one too many”.

James Hookham, director at the Global Shippers’ Forum (GSF), believes, “every box not delivered has a disappointed customer and consignee, and importantly it means there is freight either washing up on beaches or becoming a danger to shipping”.

So why are we getting these losses? The WSC has reinforced that efforts are being made to identify the reasons and to further increase safety. Stakeholders across the supply chain have initiated the MARIN Top Tier project to enhance container safety, of which WSC and member lines are founding partners. The project will run over three years and will use scientific analyses, studies and desktop modelling as well as real-life measurements and data collection to develop and publish specific, actionable recommendations to reduce the risk of containers being lost overboard. Initial results from the study show that parametric rolling in following seas is especially hazardous for container vessels, a phenomenon that can develop unexpectedly with severe consequences.

According to research, larger, stiffer container vessels tend to have shorter natural roll periods that more closely match common wave periods. A contributing factor to box losses is that ships are increasing in size; therefore, stack heights are greater, and the forces at play on the lashings and securing gear are greater when the ship hits difficult weather conditions. Today’s largest container ships have a capacity of just under 24,000 TEU, with a length of 400 metres and a beam of over 60 metres, making the ships more stable at the expense of making them stiffer.

Almost all container stack collapses at sea take place due to rough weather with strong winds. The deck stacks present high windage areas that, in conjunction with large freeboards, act like giant sails to amplify a ship’s motions as the weather deteriorates. If one container stack experiences lateral and vertical forces, it can easily destabilise the stack next to it.

Furthermore, other factors come into play to impact the ship’s stack stability. The distribution of weights is one whereby generally, deck containers are stacked with the heaviest at the bottom tier and the lightest at the top to minimise loads on the lashing and securing. This is reliant on accurate knowledge of container weights, and calculations can be skewed if mis-declared or overweight containers are inadvertently loaded into the upper tiers. This has led to the International Maritime Organisation (IMO) amending SOLAS chapter VI in 2016 to require mandatory verification of the gross mass of packed containers loaded on ships. Incorrect packing of containers can lead to instability if contents shift. This still remains an issue as masters and officers do not have sight of or control over the contents of containers or the methods by which they are packed and secured. The IMO, the International Labour Organization (ILO) and the United Nations Economic Commission for Europe (UNECE) approved a Code of Practice for the Packing of Cargo Transport Units (CTU Code) in 2014 to help the container industry ensure the safe stowage of cargo in containers.

Then, comes the physical condition of the lashing equipment, the correct application of that equipment and the physical condition of the containers. These are factors which affect all container vessels, regardless of the size.

The WSC is endeavouring to take further preventative action. A Notice to Mariners has been developed, outlining how container vessel crew and operational staff can plan, recognise and act to avoid parametric rolling in following seas. Moreover, the WSC and member companies are actively contributing to the revision of IMO guidelines for inspection of cargo transport units and support the creation of a mandatory reporting framework for all containers lost overboard. Although the lost freight can be estimated, the clean-up and environmental costs cannot, and considerations of the environmental damage must be taken into account. Thus, the WSC’s decision to increase carrier surveys on container losses during annual events rather than tri-annual surveys was approved by the industry.

Easy Freight. (2022). Increase in Containers Lost Overboard Sees Industry Take Action. Retrieved from <https://easyfreight.co.nz/blog/increase-in-containers-lost-overboard-industry-action/?omhide=true> on 10th August, 2022.

UNDERVALUING FASHION GOODS RESULTS IN COSTLY FINE

An Auckland man has been sentenced to 3 months electronically monitored community detention for defrauding customs revenue, where he undervalued imported clothing and shoes for resale through his fashion retail business.

During December 2019, Customs officers discovered undervalued packages of clothes sent through international mail. One of the packages was seized due to its \$65,000 undervalue. After a Customs investigation into his clothing business, he was liable for undervaluing goods for more than 2 years and withheld poor record keeping practices.

After being interviewed with Customs, the defendant confessed to undervaluing goods. Additionally, a further import of over 100 boxes of high-end shoes were also undervalued resulting in Customs prosecution. The defendant has since paid all outstanding duties, exceeding a total of \$270,000.

Craig Chitty, Customs Group Manager Revenue & Assurance, said, “individuals and businesses have a responsibility to accurately and honestly record the details of their goods, their value, country of origin, and pay the correct duty. Failure to do so is both dishonest and illegal. Undervaluation costs taxpayers millions in lost revenue. Customs helps traders do the right thing but, as this case demonstrates, we won’t hesitate to pursue unscrupulous importers who attempt to give themselves an unfair advantage. We have a strong track record for tackling revenue evasion, identifying more than \$20m over the last four years of deliberate undervaluation of the declared Customs value.”



National Tribune. (2022). Auckland man lands community detention for fashion imports. Retrieved from <https://www.nationaltribune.com.au/auckland-man-lands-community-detention-for-fashion-imports/> on 10th August, 2022.



BIOSECURITY ALERTS & CHANGES THIS WEEK

Please note the Biosecurity updates for this week:

ADDITION OF SPECIES TO THE PLANT SPECIES REQUIRING FURTHER ASSESSMENT CASE

Effective from 10 August 2022

Fadogia ancyllantha, Philodendron tweedieanum, Thaumatophyllum tweedieanum and Veratrum grandiflorum have been added to the 'Plant species requiring further assessment' BICON case; and are therefore not permitted entry into Australian territory.

Who does this notice affect:

Importers of nursery stock and seed, customs brokers, and department staff.

Background:

The department has completed a Weed Risk Assessment of the species *Fadogia ancyllantha*, *Thaumatophyllum tweedieanum* (syn. *Philodendron tweedieanum*) and *Veratrum grandiflorum*. These species were assessed as having a mixture of weedy and non-weedy traits, and are not permitted entry into Australian territory. The Weed Risk Assessment system is a science-based quarantine risk analysis tool for determining the weed potential of a plant. All plants proposed for importation into Australia and not currently permitted on BICON are assessed for their potential to become weeds in Australia. Further information on the Weed Risk Assessment system is available on the department's website.

Further information:

Please contact Plant Import Operations on 1800 900 090 or email imports@agriculture.gov.au.

This Change applies to the following Cases:

[Plant species requiring further assessment](#)



REMOVAL OF THE SECURITY DECLARATION REQUIREMENT FOR PURITY TESTED SEED FROM ALL COUNTRIES

Effective from 10 August 2022

The conditions for purity tested seed have been updated to remove the requirement for a supplier's security declaration. The department has determined that commercial seed handling practices and the phytosanitary security requirements of an exporting country are sufficient for maintaining consignment integrity and preventing contamination after testing. No other changes have been made to import conditions.

Note:

All other BICON cases containing this declaration will be amended soon. Relevant import permits will also be amended at no cost to the permit holder. Permit holders will be notified prior to the amendment.

Who does this notice affect:

Importers of purity tested seeds, brokers and department staff.

Further information:

For enquiries regarding these changes, please phone 1800 900 090 or email imports@agriculture.gov.au.

This Change applies to the following Cases:

[Raw seed for human consumption](#)

[Allium spp. seed for sowing](#)

[Permitted seed for sowing](#)

[Lolium spp. seed for sowing](#)

[Dactylis spp. seed for sowing](#)

TOMAX MILESTONE ANNIVERSARIES

We would like to acknowledge and congratulate our Tomax staff who have worked diligently over the decade and more. The following staff are located across our Australia, U.S.A, China and Hong Kong offices and have shaped Tomax into the company that we know it today.



10

NICOLE XI

International Freight
Manager
10 Years



10

JUSTINE KERR

HR Co Ordinator
10 Years



11

SHAWN SOLOMONS

Customs Broker
11 Years



11

GEORGE PAIZIS

Fleet Manager
11 Years



11

LUCY LU

Key Account Manager
11 Years



11

NIC XU

Key Account Manager
11 Years



11

VENUS LUAN

Accounts Officer
11 Years



12

PAUL WATSON

Industry Assistance
Manager
12 Years



12

MARC REGAN

International Sales
Manager
12 Years

TOMAX MILESTONE ANNIVERSARIES



RAVI WARNA
Accounts Supervisor
13 Years



MINDY ZHENG
Key Account Manager
13 Years



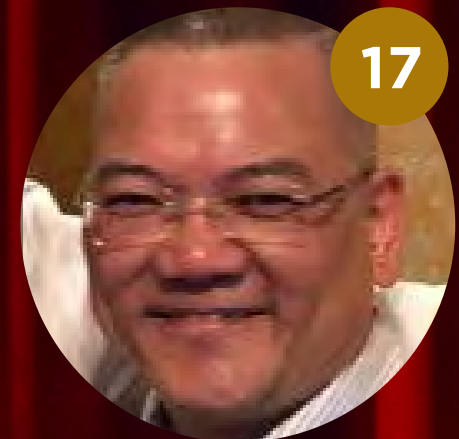
JAMES SHU
Operations Manager
13 Years



SOUCHENG CHAN
Transport Manager
14 Years



ELIZAR LI
Key Account Manager
16 Years



CHRIS WONG
C.E.O. (Hong Kong)
17 Years



CHRIS CHALMERS
C.E.O. (Australia)
20 Years



DEBBIE JONES
Managing Director
22 Years



BELINDA KARIPIDIS
Accounts Clerk
24 Years



CAMPBELL COVE: A TRICKY SALVAGE OPERATION

TasPorts and heavy lift ship AAL Melbourne are reattempting the lift of sunken tugboat Campbell Cove after the process proved a greater challenge in comparison to the removal of York Cove over the weekend. Since late January, the two TasPorts tugs have been sitting at the bottom of Tasmania's Mersey River, after sinking when cement carrier Goliath collided with them in Port of Devonport.

At last, York Cove was removed over the weekend, however Campbell Cove was sitting in an unbalanced position, making the lift operation far more complex than the first.

Stephen Casey, TasPorts chief operating officer, said it was "unsafe and near impossible" to lift the wreck into the specially constructed cradle on AAL Melbourne. Mr Casey said, "now that our salvors can see it they can adjust the chains and rigging to commence a new lift tomorrow...It is expected that the Campbell Cove will dewater or drain while it is out of the water into the containment area which can be skimmed overnight of any diesel or oil that drains from the wreck. The Campbell Cove wreck will ultimately be welded to its cradle on the deck for transport to Brisbane where both wrecked tugs will be scrapped."

The wreck was returned to the water to prepare for a second lift attempt which took place Thursday morning. The initial allision resulted in an estimated 60,000 litres of fuel being spilled into the river. Throughout the salvage process, TasPorts urged they were working to protect the environment and maintain the integrity of the oil spill response boom around the wreck site.

Ben Cropley, CEO of the Oil Response Company of Australia, said his company's work on the salvage operation has been complex for a number of reasons. He said, "oil recovery is a not a set and forget exercise – you need to be monitoring and adjusting the whole time. In the Mersey River we do not only have the challenge of what the tide is doing but we also have natural eddies in the area. I have worked on a lot of incidents where you can actually see the oil on top of the water and you know what it is doing. In this case, what was unknown was just how much diesel or oil was still in the wrecked tugs."

Williams, A. (2022). CAMPBELL COVE RETURNED TO WATER FOR SECOND SALVAGE ATTEMPT. Retrieved from <https://www.thedcn.com.au/news/environment/campbell-cove-returned-to-water-for-second-salvage-attempt/> on 11th August, 2022.

STAFF SPOTLIGHT

CAROL GU

C.E.O.

TOMAX LOGISTICS SHANGHAI

What is your role at Tomax?

I am the C.E.O. of the Tomax Shanghai branch.

What do you enjoy doing in your spare time?

I enjoy reading and playing the pipa (a traditional Chinese musical instrument).

Describe yourself in 3 words?

Open-minded, reliable and empathetic.

Favourite food to eat?


I have no favourite! I love all delicious food.

If flights were free, where would you go?

I would travel to Peru to visit Machu Picchu (see background photo).

Would you rather visit the future or travel to the past?

I would rather visit the future to see if those science fiction films come true!

A traditional Chinese pipa (pipa) is shown in the bottom right corner. It is a pear-shaped, four-stringed plucked instrument. A white curved arrow points from the text to the instrument.

The pipa (琵琶) is a four-stringed Chinese musical instrument, belonging to the plucked category of instruments.

QUICK RIDDLES

See how many of these quick riddles you can answer correctly!

1. What comes up when the rain comes down?
2. What can you see in the middle of March and April that you can never see in the middle of any other month?
3. What's black when it's clean and white when it's dirty?
4. What is made of water but if you put it into water it will die?
5. What is deaf, dumb and blind but always tells the truth?
6. What can go through glass without breaking it?
7. The more there is, the less you see. What am I?
8. What goes around the world without leaving its corner?
9. I have branches yet I have no leaves, no trunk and no fruit. What am I?
10. How many seconds are there in January?
11. What can you find here, there and everywhere?
12. What gets bigger the more is taken away?



Answers: 1) Umbrella, 2) The letter "r", 3) Blackboard, 4) Ice Cube, 5) Mirror, 6) Light, 7) Darkness, 8) Stamp, 9) Bank, 10) Just one - 2nd January, 11) The word "here", 12) A hole.



Australian HQ
19/202 Ferntree Gully Rd
Clayton VIC 3168

tomax.com.au
1300 186 629
03 9544 4227

