

# MARKET SUMMARY

• The Chinese government has announced a relaxation in COVID isolation and quarantine rules to come into effect for foreign visitors from the 9th January 2023. This long awaited relaxation of the COVID-Zero policy is set to see a rise in international travel as well as potentially a larger impact on COVID illnesses amongst the population, causing delays in manufacturing and shortages in supply chain workers. The market will watch carefully to see how the situation unfolds from the relaxation of the rules leading up to the Chinese New Year holiday period.

• The Australia-India Economic Cooperation and Trade Agreement (ECTA) enters into force from 29th December 2022. At this time, all items

## 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

that are not included in Schedule 10 and which meet the origin requirements will be able to be entered with a duty free status. For more information on how you can benefit from this new Free Trade Agreement please contact one of the friendly Tomax customs team.

• To all our amazing and wonderful customers who are finishing up prior to our next newsletter, we wish you a very Merry Christmas and a Happy New Year, and hope that it is a time full of fun, laughs and relaxation to celebrate the end of another year. Thank you from the whole Tomax team around the globe for all your support during the year, and we look forward to seeing you again in 2023!

# LATEST NEWS

## PALLET SHORTAGE **CRISIS**

here have been concerns raised about the lack of available timber pallets, prompting adverse effects including the increased costs on import, export and domestic supply chain operations.

The cause appears to be largely attributed to importers, who are still scarred from the supply chain delays from over the previous years, switching from a 'just-in-time' supply chain to a more conservative 'just-incase' model with increasing stocks being held onshore. As such, much of Australia's warehousing has reached capacity with stock sitting on the high demand pallets.

Chep Australia and Loscam have since released notices acknowledging that despite significantly increasing their pallet pools, they are struggling to meet demand. Both suppliers intend on further increasing their supply into 2023 (involving the use of new international timber suppliers). They aim to engage with major customers to improve de-hire processes and ensure they are fully resourced to inspect, condition and swiftly reissue returned pallets.

Woolworths is currently balancing a high volume request for pallets from suppliers to return pallets to them directly while also contributing hundreds of thousands of pallets back into the pool for maintenance and wider availability across the industry every month. Deployment of the above initiatives and a projected slowing of international trade are expected to boost pallet availability in the first quarter of 2023.

In the meantime, many are adapting by utilising alternative products, different suppliers and transport operators using linehaul B-Doubles to relocate pallets interstate to peak demand locations.



## FTA UPDATES

AUSTRALIA-INDIA ECONOMIC COOPERATION AND TRADE AGREEMENT Indian originating goods are those that meet the requirements of Division 1JA of Part VIII of the Customs Act 1901 (Customs Act). Further information about determining the originating status of goods and materials for the purposes of the ECTA is available on the Australian Border Force (ABF) ECTA webpage at: https://www.abf.gov.au/importingexporting-and-manufacturing/free-tradeagreements/india

Preferential rates of customs duty Schedule 10A of the Customs Tariff Act 1995 (Customs Tariff Act) sets out the preferential rates of customs duty that apply to goods deemed to be Indian originating. Indian originating goods classified to any tariff subheadings that are not listed in Schedule 10A have a 'Free' rate of customs duty from 29/12/22.

#### CUSTOMS (COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP - ENTRY INTO FORCE FOR OTHER PARTIES)

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will enter into force for **Malaysia** on 29/11/2022. CPTPP entered into force for Australia, Canada, Japan, New Zealand, Mexico and Singapore on 30/12/18, Vietnam on 14/1/19, and Peru on 19/9/21. Under the CPTPP the suppliers can issue Annual CPTPP COO's to save time from having to get one for each individual job.

**CUSTOMS (REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT** –ENTRY INTO FORCE FOR INDONESIA) The Regional Comprehensive Economic Partnership Agreement (RCEP) will enter into force for Indonesia on 2/1/23. The RCEP entered into force for Australia, Brunei Darussalam, Cambodia, China, Japan, Lao PDR, New Zealand, Singapore, Thailand and Viet Nam on 1/1/22, the Republic of Korea on 1/2/22 and Malaysia on 18/3/22.

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## FESTIVE SEASON CONTAINER DETENTION - UNREASONABLE CONTAINER DETENTION PRACTICES

he latest Australian Competition and Consumer Commission (ACCC) Container Stevedoring Report 2021 -22 (December 2022) notes that some shipping lines container detention practices are contributing to an overall increase in supply chain costs which has translated into higher prices for Australian consumers.

Section 6 in the report outlines the ACCC's position that in the circumstances where no level of detention fees can incentivise the cargo owner to return the container on the due date, the levying of the detention fees is 'unreasonable'.

The next few weeks will be challenging for industry to return containers to shipping line nominated empty container parks due to the fact that from 24th December through to 3rd January only 3 regular working days will be available (28th, 29th & 30th December), as well as a short first week of January 2023. Additionally,many empty container parks have issued formal advice of both closures and shorter operating hours during this period.

In light of these circumstances, major international shipping lines have been urged

to increase free time or waive detention during this period. Hapag Lloyd has agreed to extend free time with respective cargo owners whose containers are due to arrive over this period.

Hamburg-Sud is currently the only shipping line to offer a blanket exemption with extended free time covering all public holidays that are observed over the festive season. On review of their empty container park arrangements, confirmation has also been given that during the remaining days, there will only be a marginal impact to hours of operation, for a selected few, planned on 30th December.

Maersk has stated that their formal position will be announced on Monday 19th December.

All other responses have generally indicated that circumstances will be considered on a 'case-by-case' basis. It is advised to proactively contact shipping lines during this period to address any potential delay in returning empty containers.

FTA (2022). Festive Season Container Detention. Retrieved on 16th December, 2022.



## NEW DANGEROUS GOODS RULES

n the world of dangerous goods, the end of a tumultuous and challenging 2022 does not provide the usual welcome break. With new regulations becoming effective on 1st January 2023, dangerous goods professionals must study and adapt.

The regulations operate on a two-year cycle, so the new road (ADR), rail (RID), sea (IMDG) and air (ICAO Technical Instructions) regulations begin to replace the old editions next month. For ADR, there is a six-month transition, whereas for IMDG it is a 12-month transition, but the ICAO/IATA regulations become effective immediately.

There are numerous small changes, including new definitions, sometimes a re-classification of a product and perhaps some changes to the maximum amount of dangerous goods that can be put into one package. Those involved in the food flavouring industry will see the retirement of UN 1169, shippers will have to use UN 1197 in future – the proper shipping name changes to "Extracts, flavouring liquid".

One of the biggest changes in the ADR road regulations means that many more consignors/shippers and freight forwarders will come into scope of the Dangerous Goods Safety Adviser (DGSA) legislation. There is no additional text in ADR, but a transitional measure included in the 2019 and 2021 editions of the publication has disappeared. The exemptions that have always existed, such as those consignors only involved with excepted and limited quantities, using certain special provisions and under the load thresholds continue, but there are many organisations that need to consider if they now need to appoint a DGSA.

#### Lithium battery changes

No year goes by without changes to the rather long-winded and complex lithium battery regulations. In recent years, there have been a number of incidents where the finger of blame has been pointed at lithium batteries, even though final evidence of their involvement is sometimes difficult or impossible to prove. One change to the lithium battery mark is that the requirement to insert a telephone number for further information will disappear, but consignors can use their old marks until 31st December 2026, so do not have to purchase new ones for some time. In addition, the air mode has introduced a requirement that packages of lithium ion batteries (UN 3480) and lithium metal (UN 3090) being shipped under specific thresholds (1B), must now be capable of withstanding a 24-hour stacking test.

Despite the simple changes, it is essential for shippers of dangerous goods to be fully aware of them. Failure to comply will result in shipments being stopped, goods not reaching their desired destinations, unhappy customers and, in the event of an incident, potential legal proceedings. It is therefore, important to remain proactive surrounding the changes and updates.

Mohr, N. (2022). New dangerous goods rules will impact shippers and freight forwarders. Retrieved from https://theloadstar.com/newdangerous-goods-rules-will-impact-shippers-and-freight-forwarders/ on 16th December, 2022.

### BROWN MARMORATED STINK BUG (BMSB) UPDATE

#### **BREAK BULK, OPEN TOPS AND FLAT RACKS**

Where goods are tariffed as target high risk goods and shipped as break bulk (including open top and flat rack containers), they must be treated offshore prior to arrival into Australia. If these goods arrive in Australia untreated and are discharged off the vessel, they will be directed for export to be treated offshore prior to returning to Australia. There are no provisions for onshore treatment of this cargo type and no exemptions will be granted.

If the department is informed of untreated break bulk (including open top and flat rack containers) prior to discharge from a vessel then the department will direct the vessel to hold the goods onboard for export. If your break bulk goods (including open top and flat rack containers) have not been treated at origin prior to export and tranship through a third country prior to arrival into Australia, the department recommends that the goods be treated there to meet import conditions before continuing to Australia.

#### **MIXED GOODS CONSIGNMENTS**

The department often sees containers of nontarget risk goods that include promotional or gifts from suppliers that fall under target risk tariffs during the lead up to the festive season. These target risk tariff promotional, or gift items render the container subject to BMSB measures.

In the past free promotional material were added in glasses, metal champagne buckets, promotional tins, cheese knives in containers of cheese e.t.c all of which are tariffed as target high risk goods and render the container needing BMSB treatment. Please ensure if suppliers are placing these goods in the container, they are made aware of the BMSB import conditions and goods are treated accordingly prior to packing in containers. Containers which are packed with a mix of target high risk and non-target goods, will be assessed for highest risk level. Containers that are packed containing target high risk goods will require mandatory treatment for BMSB. Deconsolidation or removal of goods is not permitted prior to the treatment in Australia as the risk is at the container level. Where this treatment cannot be conducted at the container level, the whole container will be directed for export.

### NEW, UNUSED AND NOT FIELD TESTED (NUFT) GOODS

To be eligible, manufacture must start on or after 1 December of the current BMSB risk season. BMSB NUFT declarations may be used for eligible goods shipped in sealed six hard sided containers, goods shipped as break bulk (including flat rack and open top containers) and consignments in LCL / FAK containers.

If your goods that can meet all the following criteria, they will not be subject to mandatory BMSB treatment (random inspections will still apply):

• Have the goods been manufactured on or after 1 December 2022? (Manufacture must start on or after 1 December of the current BMSB risk season).

• Are the goods classified under the following tariff chapters only: 82, 84, 85, 86, 87, 88 and 89?

• Can evidence be provided in the form of a BMSB NUFT (new, unused and not field tested) manufacturers declaration that the goods are manufactured on or after 1 December?

Goods shipped as break bulk (including open top and flat rack containers) will not require mandatory offshore BMSB treatment, if they meet the above requirements for BMSB NUFT. A NUFT template has been added to the "Templates for documentary evidence" section of the agriculture.gov.au/Preparing to Import webpage. Please ensure that your NUFT declarations meet current requirements for the 2022-2023 BMSB season so that goods are not delayed on arrival or sent for onshore treatment or directed for export.

#### 120 HOUR POST TREATMENT EXPORT WINDOW

For goods treated prior to 1 December, a 120 hour post treatment export/sealing window applies after treatment.

The 120 hour timeframe commences after treatment has been completed or when ventilation commences.

For example, for:

• Fumigation treatment: the post treatment window will commence when ventilation commences.

• Heat treatment: the post treatment window commences immediately after treatment has been completed.

**Containerised goods -** Goods must be loaded into a six hard sided container and sealed within 120 hours. A sealing declaration can be provided if required.

**Break bulk** (including flat racks and open top containers) – must be loaded onto a vessel for export from the target risk country within the defined timeframe of 120 hours. Export is considered to be the date the goods are Shipped On Board listed on the Bill of Lading.

**Note:** The post treatment window does not apply to goods treated in a non-target risk country, or to goods treated in a target risk country on or after 1 December of the same BMSB season.

#### BMSB TREATMENT CERTIFICATE LODGEMENT

This is a reminder where goods have been treated offshore by an approved offshore treatment provider, that all treatment certificates must be lodged into the treatment portal by the offshore treatment provider.

Failure of the offshore treatment provider to do so will result in increased border clearance delays due to the department being unable to verify treatment has been conducted and either re-treatment for containerised goods or directions to export break bulk (including flat rack and open top container) consignments.

As per section 7.4 of the Offshore BMSB treatment provider scheme 'All BMSB treatment certification for Australian bound goods must be provided to the department within 14 days of the treatment being completed'. This allows the treatment certificate to be assessed in a timely manner, which helps prevent delays.

When uploading several treatment certificates for the same treatment please submit each treatment certificate under a new submission to prevent any issues with finding documentation. Please ensure all consignment links, certificate numbers and treatment information links to the attached documentation to prevent any confusion once consignments arrive at Australian shores.

To replace a certificate please ensure you withdraw the old certificate first before uploading a new one. This will ensure that there are no duplicates in the system and always leave a 'reason for withdrawal' when withdrawing a treatment certificate.



## DP WORLD TERMINAL CHRISTMAS/NEW YEAR DATES

### DP WORLD MELBOURNE

Date	Stevedoring Operational Hours	<b>R&amp;D</b> Operational Hours
Saturday 24th December	Vessel operations cease at 1400	Road operations cease at 1400
Sunday 25th December	Closed - no vessel operations	R&D closed
Monday 26th December	Vessel operations starts at 0600	Subject to demand
Tuesday 27th December		Subject to demand
Wednesday 28th December	Normal vessel operations	Subject to demand
Thursday 29th December		Normal DCD and address
Friday 30th December	1	Normal R&D operations
Saturday 31st December	Vessel operations cease at 1400	Road operations cease at 1400
Sunday 1st January	Vessel operations starts at 0600	Subject to demand
Monday 2nd January	Normal vessel operations	Normal R&D

### DP WORLD BRISBANE

Date	Stevedoring Operational Hours	R&D Operational Hours
Saturday 24 <sup>th</sup> December	Vessel operations cease at 1500	Road operations cease at 1500
Sunday 25th December	Closed - no vessel operations	R&D closed
Monday 26th December	Vessel operations starts at 0700	R&D starts at 0700
Tuesday 27th December	-	
Wednesday 28th December	New York Charles France	New IDSD Occubies
Thursday 29th December	Normal Vessel Operations	Normal R&D Operations
Friday 30th December		
Saturday 31st December	Vessel operations cease at 1500	Road operations cease at 1500
Sunday 1st January	Vessel operations starts at 0700	R&D starts at 0700
Monday 2nd January	Normal vessel operations	Normal R&D

### DP WORLD SYDNEY

Date	Stevedoring Operational Hours	R&D Operational Hours	Reli Operational Hours Rail operations cease at 1400	
Saturday 24 <sup>th</sup> December	Vessel operations cease at 1400	Road operations cease at 1400		
Sunday 25th December	Closed - no vessel operations	R&D closed	Rail operations closed	
Monday 26th December	Vessel operations starts at 0600	R&D starts at 0600	Rail operations start at 0600	
Tuesday 27th December		Normal R&D	Normal rail operations	
Wednesday 28th December	Alexand a second associations			
Thursday 29th December	Normal vessel operations			
Friday 30th December				
Saturday 31st December	Vessel operations cease at 1400	Road operations cease at 1400	Bail operations cease at 1400	
Sunday 1st January	Vessel operations starts at 0600	R&D starts at 0600	Rail operations start at 0600	
Monday 2nd January	Normal vessel operations	Normal R&D	Normal rail operations	

### DP WORLD FREMANTLE

Date	Stevedoring Operational Hours	R&D Operational Hours	
Saturday 24th December	Vessel operations cease at 1400	Road operations cease at 1400	
Sunday 25th December	Closed - no vessel operations	R&D closed	
Monday 26th December	Vessel operations starts at 0600	Subject to requirement	
Tuesday 27th December		Subject to requirement	
Wednesday 28th December	Normal vessel operations	Subject to requirement	
Thursday 29th December		Slowed BCD acceptions	
Friday 30th December		Normal R&D operations	
Saturday 31st December	Vessel operations cease at 1400	Road operations cease at 1400	
Sunday 1st January	Vessel operations starts at 0600	C. Alizability complementation	
Monday 2nd January	Normal vessel operations	Subject to requirement	

# **CHRISTMAS CLOSURE DATES**

#### DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY CANBERRA OFFICE

Closed from COB Friday 23rd December 2022 and will re-open on Tuesday 3rd January 2023. Further information can be found in the table below.

Date	Office Status	Comments
Friday 23/12/22	Open	Normal regulatory services available.
Saturday 24/12/22 Sunday 25/12/22 Monday 26/12/22 Tuesday 27/12/22	Closed	Limited regulatory services available. Import and export inspection appointments for these days must be requested prior to close of business on 20 December 2022. Note: Overtime requests for import document assessments and treatment result assessments will be accepted up to 11am on 23 December 2022. Public Holiday/Weekend – Regulatory services provided on these days will be subject to overtime charges.
Wednesday 28/12/22 Thursday 29/12/22 Friday 30/12/22	Open	Limited regulatory services available. Import and export inspection appointments for these days must be requested prior to close of business on 20 December 2022.
Saturday 31/01/22 Sunday 01/01/23 Monday 02/01/23	Closed	Limited regulatory services available. Import and export inspection appointments for these days must be requested prior to close of business on 20 December 2022. Note: Overtime requests for import document assessments and treatment result assessments will be accepted up to 11am on 30 December 2022. Public Holiday/Weekend – Regulatory services provided on these days will be subject to overtime charges.
Tuesday 03/01/23	Open	Normal regulatory services available.

#### ASSESSMENT SERVICES EXPORTS

Only closed on the main public holidays (Christmas, Boxing Day and New Years).

#### FLINDERS PORT CONTAINER TERMINAL

24th Dec 2022 - Vessel Operations close 2pm 25th Dec 2022 - Closed 26th Dec 2022 - Vessel Operations Only 27th Dec 2022 - Vessel Operations Only 28th, 29th & 30th Dec 2022 - Normal 31st Dec 2022 - Vessel Operations close 2pm 1st Jan 2023 - Vessel Operations Only 2nd January 2023 - Vessel Operations Only 3rd January 2023 - Normal 4th January 2023 - Normal

# **CHRISTMAS FUNNIES**

### We hope the following jokes will get you in the festive spirit!

What do you call a broke Santa Claus? Saint-nickel-less.

What's the best Christmas present you can give? A broken drum — you can't beat it!

What did one Christmas tree say to another? Lighten up!

What's the difference between the Christmas alphabet and the ordinary alphabet? The Christmas alphabet has Noel.

What's every parent's favorite Christmas Carol? Silent Night.

What did one snowman say to the other snowman? Do you smell carrots?

Why are Christmas trees so fond of the past? Because the present's beneath them.

What is Santa's primary language? North Polish.



Australian HQ 19/202 Ferntree Gully Rd TOMAX Clayton VIC 3168

tomax.com.au 1300 186 629 03 9544 4227

