

loss of sales, and being de-listed by supermarkets. An exporter has warned that a lack of packaging materials is risking an out-of-stock situation in a key market. A fashion company is warning of loss of sales because of the challenges of moving containers. Transport operators are warning of a build-up of empty containers in Australia. Trucking operators are warning of cost blow-outs caused by truck queuing and an inability to move laden containers. We have heard of transport operators warning that they won't be able to stay in business for the next six months.

As these comments indicate, the unimpeded flow of cargo is vital to Australian economic interests and, therefore, to the well-being of Australian families. About 1-in-5 jobs are directly or indirectly supported by the supply chain. A one-day strike at all four of DPWA's Australian terminals will cause between \$20m to \$23m of direct and indirect economic losses to Australia.

Shipping Australia has carried out extensive briefing and advocacy work on industrial relations and we will continue to do so in 2024.

Meanwhile, back in May 2022, the IMO's Facilitation Committee adopted amendments to the Annex to the Facilitation Convention that would make a single window for data exchange mandatory in ports around the world by 1 January 2024.

Transaction costs in trade (related to such things as border procedures) directly and indirectly incur costs of between one percent and 15% of the value of traded goods, according to the academics Walkenhorst and Yasui in "Benefits of Trade Facilitation: a quantitative assessment".

Given that about 1-in-5 Australian jobs are directly or indirectly supported by international trade, and given that merchandise trade (trade in actual goods) accounted for about 42.6% of Australian GDP in 2022, according to the World Bank, you would have thought that Australia would have hit deadline. But we did not. And we do not have a Maritime Single Window.

Australia is also in the process of building multiple single windows. The officials have decided that Australia's Maritime Single Window will not cover the various systems and requirements that will be

imposed by private port entities. So in the future, we will likely have more than one Single Window.

Environmentally, there has a vitally important development.

Hailed variously as "historic", "groundbreaking", and "landmark" by supporters but described by detractors with words like a "wish and prayer", a "sinking feeling," and "serial procrastinator," the IMO's carbon emissions decisions in June 2023 delivered delight and despair in equal measure.

International shipping has been committed to halving greenhouse gas emissions peak "as soon as possible" and then to reach net-zero by, or around, 2050. The earlier strategy committed shipping to a cut of 50% while also "working towards" a 70% cut in greenhouse gas emissions by 2050. Shipping Australia views this new ambition as an environmental-win.

Back in 2011, the IMO adopted Biofouling Guidelines to manage the accumulation of tiny organisms on ship's hulls. The Department of Agriculture, Fisheries and Forestry, has implemented this work with new guidelines for use in Australia. Shipping Australia has been working constructively with the Department to ensure that Australian

rules align with international practice.

Competition reform in liner shipping remains a contentious issue but one that does not appear to be gaining any traction with the authorities. Shipping Australia is supportive of reform provided that it does not create any new burdens and provided that it does away with the old burdens. There is no point creating a new system if it replicates old problems.

Talking of reform, Shipping Australia is opposed to the creation of any Strategic Fleet, or, as we have dubbed it, the Strategic Failure Fleet, because this policy or variants thereof have been tried at least five times or more in Australia and it has always failed.

Space considerations prevent us from going into great detail here, but, throughout the year Shipping Australia has put on meetings, events and functions around the country of varying sizes. We would like to thank everyone whose efforts contributed to the work of Shipping Australia.

And with that, it is time sign off, and to conclude by saying that Shipping Australia will continue to advocate for shipping policies that work to the benefit of Australia in 2024.

We would like to wish everyone a Happy and Prosperous 2024. ▲

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- Promoting the shipping industry across the wider community
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- Contributing shipping advice to inform governments' policy and regulatory developments
- Supporting members with technical matters and regulatory compliance
- Providing support services for liner shipping



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