

Shipping Australia Limited



Annual Review 2025

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Assistant Minister for
Productivity, Competition,
Charities & Treasury



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Our Vision

The first choice for membership of a national shipping industry body promoting the interests of the shipping industry and creating enduring value for our members. An independent voice, trusted by Government and industry bodies for providing quality, expert advice.

Our Mission

To promote and advance the interests of members in shipping policy for a sustainable maritime industry.

Our Values

Professionalism, Respect, Integrity, Teamwork

Overview

Shipping Australia Limited is a peak shipping industry association with a variety of member lines, shipping agents and maritime-focused businesses that generally provide services to the maritime industry in Australia. Our members are involved with over 80 per cent of Australia's international container and car trade, as well as over 70 per cent of our break bulk, roll-on roll-off and bulk trade. A number of our members are also actively engaged in the provision of coastal cargo services to Australian consignors and consignees. Our members include cruise ship and towage operators. A major focus of SAL is to promote efficient and effective maritime trade for Australia, whilst advancing the interests of ship owners and shipping agents.

We know shipping!

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 Thompson Clarke Shipping Pty Ltd
 United Rentals Australia Pty Ltd
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 Victoria International Container Terminal

BOARD OF DIRECTORS



Clinton Evans
Outgoing Chair

Area Oceania Managing Director, Hapag-Lloyd (Australia) Pty Ltd since September 2019.

Clint has 26 years of shipping and logistics experience in South Africa, Middle East (Bahrain, Qatar and Dubai) and India.

Clint stepped down as Chair at the end of 2024 in a planned rotation.



Mark Godfrey
Appointed November 2023

Mark has approximately 40 years of experience in the shipping industry. He has worked with MSC around Australia and New Zealand, and has worked through a variety of senior and operations roles. He is now the Managing Director of MSC Australia.



Eddy DeClercq
August 2008 - retired 2024

Former Managing Director OOCL (Australia) Pty Ltd.

Eddy stepped down from the Board owing to retirement.



Shane Walden
Appointed August 2019

Shane Walden is the Managing Director of ANL Container Line Pty Ltd.

He has extensive experience in liner shipping gained through shipping line appointments in Australia, France and Hong Kong.



Phillip Holmes
Appointed September 2023

General Manager "K" Line Australia. Phillip has been active in Australia's international shipping industry for approximately 40 years. He has a range of operation and management experiences with the container shipping, car carrier and dry bulk trades.

Phil is the Chair of the Board.



Scott Henderson
Appointed February 2015

Managing Director, Gulf Agency Company (Australia) Pty Ltd since 2014. Scott has 27 years of agency experience in Australia, prior to that he served as deck officer in the British merchant navy for seven years.



My Therese Blank
2021 to 2025

My Therese Blank was formerly of Maersk Group; She resigned from the Shipping Australia Board in 2025 after leaving the shipping sector.



Kristy Craker
Appointed October 2022

Managing Director & founder, Ship Agency Services from 2011.

She is also a founder, and the Managing Director, of Propel Marine, a marine solutions provider.

Kristy has more than 20 years of experience within shipping and logistics in Australia.



Eric Tjandra
Appointed January 2025

Managing Director, OOCL (Australia) Pty Ltd.

Eric has more than 30 years of shipping industry experience in commercial and management positions in Southeast Asia, Hong Kong and South China before arriving in Australia.



Fleur Walsh
Appointed July 2025

She joined A.P. Moller-Maersk in 2023 and is the Head of Operations for Maersk Oceania. She has worked in senior roles across the manufacturing, utilities and transportation industries.



Foreword

By Senator the Hon. BRIDGET MCKENZIE,
Senator for Victoria

As a new year dawns and Canberra policy makers return to their desks, they should resolve to working with our maritime industry on putting into practice good maritime policies.

Shipping Australia Limited has provided strong leadership in recommending policies to Government that would improve national prosperity by improving productivity and cutting red tape at our ports.

While 2025 was a year of missed opportunity, with the Federal Government's maritime policy stalled and seemingly lost in a fog, we must all work together to drive policy progress in 2026.

The Coalition will work with Shipping Australia Limited and its members to throw the spotlight on policy failings and on much needed reforms to strengthen the industry.

This work will start immediately with the Coalition having established a formal Senate Inquiry into Productivity in Australia which will include a focus on freight and maritime.

Despite the indispensable role shipping plays in Australia's success, nothing came out of the Government's 'productivity roundtable' process for the industry. We will seek to address this.

In 2023-24 the industry enabled \$467 billion worth of maritime exports and imports worth \$337 billion.

Australian families and businesses relied on almost 6,200 different ships stopping on almost 30,850 times at Australian ports that same year. This includes 16,840 trips direct to Australia from foreign ports.

As a vast island continent, we have always relied on maritime shipping as the backbone of our trade.

From the arrival of the first fleet, Australia's unique geographic position, surrounded by vast oceans and isolated from other continents, has necessitated a reliance on shipping as the primary means of international engagement and economic connectivity.

The Coalition has always been steadfast in its support for maritime shipping as a critical driver of our national economy.

There are issues the Government could move quickly on to support the industry.

The process to establish a Single Maritime Window needs to be re-energised. Commenced by the Coalition when in office and agreed as a global priority by the International Maritime Organization (IMO), the single window would create a single portal for information needed by all government agencies.

This would save time and money, cut duplication of effort, reduce data entry errors and speed up approvals. It is a reform to slash the 35,000 hours of shipping time currently dedicated to bureaucratic reporting each year.

This process was intended to be operational by 2024, but has stalled, and must be re-invigorated in 2026.

Also stalled have been the government's promises to establish a pilot 'strategic' fleet of three vessels.

Out of a global commercial fleet of 6,200 vessels (including 136 Australian vessels), 'Albo's armada' of three vessels will barely make a ripple of difference when it comes to ensuring the country's coastal supply chains.

However, the high but undisclosed cost of this flawed policy comes at the expense of implementing actual reforms to improve shipping productivity and secure commercial supply chains.

It is now more than a year since the strategic fleet tender closed with no contracts announced. It is not too late to quietly walk away from this policy misadventure and focus on higher priority reforms.

Labor's planned changes to coastal trading laws must be released. Their current legislation has failed to encourage additional Australian flagged vessels, but imposes severe cabotage restrictions on the sector limiting the ability to maximise efficient use of shipping assets sailing around our continent.

As a trading nation, it is vital Australia critically examines any global proposals to add unnecessary costs to shipping. The proposed IMO Net Zero Framework would inflict a carbon tax penalty of up to US\$480 per tonne CO₂-eq on shipping emissions. The Government has failed to release how much this measure would cost Australia's farmers and exporting industries, nor the cost added to imported goods households and businesses need. Australia should not adopt global net zero policies out of Europe which will damage our economy, and harm shipping.

By working with industry via our Senate Productivity inquiry, in 2026 the Coalition can help drive actual outcomes on beneficial policies and work to prevent measures to further burden the sector. ▲



Shipping Australia CEO's Review of 2025

By Captain MELWYN NORONHA

2025 started with a disaster. Communities in northern Queensland were cut-off by floodwaters. Land-based supply routes were cut. It was an emergency. Shipping Australia participated in several of the crisis management meetings.

Heavy freight trucks were marooned on 'islands' cut off by the floods and by damaged infrastructure. There was further delay as bridges had to be inspected for damage.

But why were so many trucks en-route north? To deliver freight, obviously. But why so many? There are deep ports in northern Queensland, there are many cargo ships sailing around Australia, and ocean shipping is cheap and green. So why wasn't Australian cargo from the south being transported to the north by ship? You know why.

It's yet another strike against national coastal trading policy as Australia is more vulnerable to the aftermath of disasters that it would otherwise be.

And now the Maritime Single Window. This was meant to be a thing in force in Australia as of January 1, 2024. One year later, in 2025, it was neither in force nor a thing. Today, it's still not in force, nor a thing. And that's a bad thing.

Too much port call bureaucracy wastes time, effort, and money because there are 6,200 ships or so ships repeatedly doing the same or similar paperwork for 31,000 or so port calls. Those unnecessary costs harm Australian national wellbeing.

It's long past due for this public policy to be implemented, which, not-so-incidentally, relates to the IMO's theme this

year and next. The IMO is campaigning on "putting maritime policy into practice". While it's an initiative to be applauded, it's sad that it has to be an initiative.

Staying on the bureaucratic front, two of Shipping Australia's interventions were particularly noteworthy. Officials attempted to impose two potentially ruinous policies on the grounds of safety. We were pleased to be able to work with the appropriate officials to overturn these policies. A quick shout out of thanks must go to one of the senior officials in the Department of Agriculture and another to the Office of Supply Chain Resilience.

One policy was that officials would board and work on ships up to 10:00 am, so as to avoid the heat. The Dept of Agriculture has training and policies for working in heat so this deadline was expensive, disruptive, unnecessary, and contrary to policy. It was canned quickly and easily.

The second policy was that officials couldn't use ladders on car carriers to get from deck-to-deck because of the risk of falls. It would have been disastrous for Australia if that policy had persisted. It could have shut down the Australian automotive sector. We spent some time researching the issue and carrying out a risk assessment. It was easy enough demonstrate risk mitigation through encouraging the use of cost-effective harnesses that officials could use to clip themselves onto ladders.

Look, anyone who knows me knows that safety is a mantra. But there comes a point, which is most reached when fundamentally safe systems are pushed aside for some highly-theoretical and non-plausible risk. Mitigate the risk. Adapt. Consult.

Which leads onto the next concerning issue: a lack of genuine consultation.

Notification is not consultation. Throughout the year various officials declared: "We're going to do this or that", or, worse, "you're going to pay for this".

That's notification, not consultation. And it's not right. In Australia, stakeholders get to have input into government rule-making. Somehow, somewhere, that principle has been forgotten. Or, worse, it's being disregarded.

In 2024, Ports Victoria notified industry that more tugs had to be made available at Melbourne, a view NOT shared by the tug companies. A requirement to have excessive capacity has been imposed on industry which is being forced to pay for it. Australian competitiveness and productivity has been hindered.

There were a lot of imposed price hikes last year.

Ports and terminals notified customers that they would have to pay more. Fremantle Ports, for example, declared a 295% increase in mooring costs, and 20%-42% increases on box handling. Fremantle argued that previous years had below-inflation increases. Technically correct. But when annual price rises are about 2.5%, and inflation over the period is about 3.6%, it hardly justifies a 295% price hike.

Ports Victoria demanded monies – without consultation – by establishing a new "Navigation and Port Services Fee" to be imposed from, well, now. Members were not consulted – they were notified – and they advised they had no opportunity for significant input. It

appears that fees were imposed without regard to the 2025 Victorian Guide to Regulation. We put this, and other, questions to Ports Victoria which has refused to cooperate. We will continue to advocate in this area.

Moving on, terminal operator DP World's rail expansion is great landside project and we congratulate them. As this is not a marine project, it will not improve port productivity.

On that point, Australian ports are two-way gateways to the Australian market / the rest of the world. They are essential to the wellbeing and prosperity of Australia. But they're not performing well enough. The World Bank has proven that our ports are underperforming. We discuss that problem in detail from page 78.

The upcoming Senate Committee inquiry into productivity in Australia might help, but we probably need a full inquiry on port performance. Good oversight and single governance – these are the missing public policies. Australian seaports are regulated on a State / Territory basis but it would be best if the Commonwealth were to regulate the sector – including pricing and performance – directly.

The issue of theft of seafarers' wages arose in 2025. It violates the fundamental bargain of wages for work. Australia fully supports efforts to tackle wage theft; it is wrong and it must stop.

The ACCC's container stevedoring monitoring report was interesting reading. We note the comments about stevedoring productivity and terminal access charges. Shipping Australia has repeatedly advocated to industry, to

regulators, and to Ministerial Offices that landside terminal access charges are literally not the ocean shipping industry's business. There is, and should be, a clear delineation between landside and marine-side business.

On the positive side, the Secretariat strengthened Shipping Australia through entering into informal associations with several other, respected industry bodies, both here and abroad. We also took part in a range of industry-relevant reviews, such as the Government Roundtables on Productivity, and the National Plan for Maritime Emergencies, among others.

Shipping Australia also progressed its project to develop easy-to-follow compliance guidance for Marine Order 32 (cargo handling equipment). That will help ship crews to improve their compliance and to save operators time and money.

We held many successful events across the year! The Queensland Gala Ball, the NSW Christmas Luncheon, and the Victorian Christmas Luncheon were all incredible hits! A massive THANK YOU to all of our sponsors, organisers, and guests, each of whom made every one of our events so special.

We look forward to the opportunity to continue to work with government and industry to promote and develop the shipping sector. An efficient, productive, and profitable industry boosts the welfare of the ordinary, everyday, Australians and their families. That is what is important and that is what we will continue to do. We will look forward to working with you in the upcoming year. ▲

SAL Staff

Captain Melwyn Noronha,
Chief Executive Officer

Jim Wilson,
Policy and Comms Manager

Mehrangiz Shahbakhsh,
Shipping Analyst

Clem Roberts,
Company Secretary/Financial
Controller

State committees

New South Wales State Committee

Chairs: Bill Rizzi and Mario Fernando
Secretary: Melwyn Noronha

Queensland State Committee

Chair: Ajaz Mir
Secretary: Geoff Dalgliesh

South Australia State Committee

Chair: Paul Paparella
Secretary: Melwyn Noronha

Victoria State Committee

Chair: Sirisha Gunde
Secretary: Charles Masters

Western Australia State Committee

Chair: Kristy Craker
Secretary: Melwyn Noronha



Shipping Australia Chairman's Report

By PHIL HOLMES,
Chair of Shipping Australia

Chairman's foreword

The year just gone was the year of Trumpian trade wars and tariffs. How do I even begin to review that? It's just so hard to even know where to start. Well, maybe we can begin with imports and the Trump tariffs.

If you can think of an import, it's probably been Trumpariffed. Announced tariffs include 20% on Chinese imports, 10% on Canadian potash, 50% on copper, and 20% on Vietnam, among others.

That said, according to researchers at Clarksons Research, as of mid-September 2025, only 4% of global seaborne trade has been "freshly" tariffed this year. They add that another 65% of the impacted volumes are subject to a "deal", they wrote in a Shipping Review & Outlook in September.

Uncertainty

That was the year that was of tariffs, penalties, counter-tariffs, counter-penalties, and re-counters. Frankly, there's been so many, I've lost count. It was a tough ask for trade consultants to keep track. What will tariffs do today? Will they go up? Will they go down?

Who knows? Not you. Not me.

And unless you have a team of forensic trade experts, it's almost impossible to work out what's happened over the last few months, let alone what's happening now. And as for the future? Only top-tier analytical experts have any hope of figuring out what's going on.

Economic impact

The Budget Lab of Yale University looked into the numbers and found that the pre-

Trump (i.e. early January 2025) tariff rate was about 2.5%. By early August 2025, that figure stood at just over 18%, "the highest since 1934".

This costs. It costs the US economy.

The US economy has shrunk. In the long run, US real economic growth is about 0.4 percentage points to 0.5 percentage points smaller, equivalent to about US\$120 billion less each year. Although US manufacturing is growing, other US sectors are shrinking by more, and faster.

This matters. Because it matters to real people. It matters most to those in society who have the least.

Effects of policy change

The effects of policy changes surging out from Washington do not stop at the borders of the US. I hardly need to remind this readership that maritime trade policy is international trade policy, and that shipping is a global business.

The consequences of what is decided in the Oval Office flow to every maritime capital in the world.

We saw this all too clearly in mid-October 2025, when, bowing to Trumpian pressure, the Member States of the International Maritime Organization agreed to stall the Net-Zero Framework at the extraordinary environmental meeting in London.

We note that IMO Member States adjourned the talks for 12 months with related work continuing throughout the year. We hope that progress can resume when the meeting reconvenes.

In the interim, we reiterate that it is vitally important for the economic well-being of all Australians that the regulation of

shipping continues to take place at the international level. As the expert global regulator, the IMO is the body that is best placed to create global regulation for a global industry.

Fragmented international shipping regulation, which induces unnecessary compliance costs and operational difficulties, is so detrimental to Australia's economic interest that it must be avoided. We continue to urge Australian governments to opt for regulation that is aligned with IMO policy and rules.

Shipping is committed to protecting the environment

International shipping is committed to protecting and preserving the marine and atmospheric environments. Indeed, while the adjournment at the IMO is unfortunate, we recall that it was progress from within the shipping industry that led to regulatory environmental developments.

That industry-led progress will continue. The schedule may have slipped, but the voyage has been planned, the course has been set, and the Bridge has been briefed.

There will be no returning to the port of origin.

International shipping will continue to sail toward decarbonisation and into a future that preserves the global environment for the benefit of everyone today and for those as yet unborn.

The peoples of the world rightly demand, and expect, no less.

And shipping, as it always does, will deliver on those expectations.

Technology, Digitalisation and Cyber Risk

The move to digital and autonomous operations is gaining pace. Industry stakeholders are being urged to accelerate adoption of AI for condition based maintenance, route optimisation and cargo tracking.

At the same time, cyber threats are a growing concern for the maritime domain — regulatory and risk frameworks are still catching up.

Red Sea disruption

Geo-political issues in the Middle East continue to disrupt shipping. Earlier in the year, the situation looked hopeful with the release of the Galaxy Leader crew who had been kidnapped in November 2023. Subsequently, a ceasefire was announced. However, the ceasefire that was agreed in May 2025 did not induce a general return to the Red Sea. The Clarksons Research review published in September indicates Red Sea transits remain 70% down (international trade media, Lloyd's List estimates 60% down), adding that re-routing adds ~2.5% extra demand overall, +11% for container shipping. Some shipping companies have returned, it seems, and the Suez Canal Authority is attempting to attract traffic with 15% discounts for box-ships, trade media have stated.

The US Maritime Administration, part of the U.S. Department of Transportation, continues to advise that shipping may be subject to attacks if they have an Israeli, US, or UK association, or if any vessel within a group or company fleet has been identified as making port calls in Israel. As of mid-July this year, there were a series of attacks on shipping in the region. These attacks pushed up the cost of insuring shipping, with trade media reporting comments that up to 1% of a ship's value must now be paid in insurance premiums to pass through the Red Sea, up from a rate of about 0.2% to 0.3% previously during the lull in attacks.

More recently, the general cargo vessel *Minervagracht* (IMO 9571521; 2011-built, 691 TEU and 11,759-deadweight

capacity) was attacked by a Houthi-fired missile in late September. The ship was set on fire and one crew member died.

IMO Secretary-General Mr. Arsenio Dominguez commented: "I am deeply saddened to learn of the passing of a crew member of the *MV Minervagracht*, as a result of injuries sustained during an attack on the vessel in the Gulf of Aden. I strongly condemn any type of attack against international shipping, regardless of its motivation or cause. These deplorable attacks in the Red Sea violate international law and freedom of navigation. Innocent seafarers and local populations are the main victims of these attacks and the pollution they cause. Constructive dialogue is the solution to resolving ongoing geopolitical crises affecting seafarers and international shipping".

Slightly further afield in the Middle East, and it has been widely reported that extensive electronic interference with ship systems is being carried out over the southern and middle aspects of the Persian Gulf, the Strait of Hormuz, and the Sea of Oman. The UK Maritime Trade Operations, a programme of the UK Royal Navy that is active in the region has stated that it has received multiple reports of increasing electronic interference across the region, and that this interference is having a "significant impact on vessels positional reporting".

The Middle East situation, and therefore the outlook for commercial shipping through the region, remains uncertain.

Shipping Australia's Board

It is fitting when carrying out a review, to reflect for a moment upon those who have worked to help the industry over the last twelve months.

The year just gone has seen something of a sea-change at the Board owing both to the normal ebb and flow of life, and also because of the application of the standard succession rules at Shipping Australia.

On behalf of all of the members of the association, I would like to extend our thanks to My Therese-Blank, who took

up a role outside the shipping sector and accordingly resigned her Shipping Australia positions, for her efforts both as part of the Board and for her term as Chair.

Owing to the unexpected acceleration in the planned rotation of positions at the Board of Shipping Australia, I note that the Chair at the previous Annual General Meeting was Clint Evans. Accordingly, I would also like to thank Clint for his time and work in advancing the interests of the ocean-going shipping community in Australia.

I must also take a moment to pay tribute to Eddie de Clerq, who selflessly served on the Board and served the industry as a whole for a very long time. He has always been an active participant in Shipping Australia's policy, advocacy, and governance. We, as an organisation, are grateful for his involvement. Thank you, Eddie.

I would also like to extend a warm welcome to our two new additions to the Board, Fleur Walsh and Eric Tjandra. Both are extraordinarily highly skilled executives. The ocean shipping industry in Australia is fortunate indeed to benefit from their knowledge and experience. On behalf of the members of Shipping Australia, I welcome them to their roles and look forward to their insights and guidance.

Delivers value

And finally, I would like to pay tribute to the Secretariat of Shipping Australia for all their hard work over the course of the year. Whether they're staff, volunteers, or contractors, on behalf of all the members of Shipping Australia, thank you.

It is now time for me to conclude this foreword.

Please enjoy this Annual Review. ▲

Queensland

By GEOFF DALGLIESH,
Secretary, Shipping Australia's Queensland Committee

When reviewing a full twelve-month period for the huge State of Queensland and its numerous and very different ports, it can be difficult to know where to start.

However, we decided we would start with the events that SAL Qld hold each year, as the profits go to the Mission to Seafarers organisation. This organisation is vital to our Shipping Industry and run by volunteers who put huge amounts of their time to help Seaman whilst they are in Port and being far away from their family and friends. Hence a huge thanks to the supporters and sponsors of these events that help make a wonderful contribution to the people on our ships.

Firstly, our Annual Golf Day which due to very wet weather conditions finally got underway on the 25th June 2025. Due to these cancellations the number of players was down to just 80. This lower number did not dim the enthusiasm of all that attended the day. The eventual winners of the SAL Cup were Blue Water Shipping. Runners up for the OOCL Dennis Briant Cup and finally the Chairmans Trophy went to ES Randle sponsored by PBPL. Many thanks to MCC Group and Smit Lamnalco as major sponsors. Also, thanks go to all the other sponsors that made for a great day. We managed to donate \$1,600 for the Mission to Seafarers in Brisbane.

Then in October the SAL Gala Industry Dinner was held with a very healthy attendance of 300 people and held in the new Brisbane Casino. A great night for all organised by the State Chairman, Mr Ajaz Mir, who ensured that it would be very special. Our major sponsor DP World ensured that the night all went as according to plan. In addition, many thanks to our other major sponsors which were ACFS, MCC Group, Qube, The Star, PBPL, AAT, Smit Lamnalco, Svitzer, JBS and ES Randle. Not to mention all the additional tables with attendees at them. It all contributed to the whole event. Ajaz indicates we may

try for 350 people next year and says he may also add a new twist to the event!

The one thing that can be said in favour of these events is that they bring people out from behind their desks, computer screens and their own set of circumstances. The physical presence of people from all the links in the chain of our industry mingling, laughing, talking and catching up with old acquaintances makes a wonderful spectacle. Let's never lose that aspect of our Industry.

Moving onto other events during the year, such as the very inclement weather over the first six to seven months of this year and at almost record levels. Consequently, berth clearance levels were affected from time to time to the detriment of the many Ports along the Qld coastline.

This year Talisman Sabre was held again as it is held every second year. It is a large-scale military training exercise involving numerous countries.

Australian Border Force personnel who attend our regular meetings have repeatedly indicated the increase in incidences of illegal drug imports in legal shipments this year and I find it is a noteworthy point to make.

Of more recent times an incident occurred in the Port of Brisbane where three ships were pulled of their moorings. Two were relatively unscathed and returned while the third one went aground across the channel from where

it was moored. The Port also introduced their 60-year plan to cater for and ensure they meet the demands they believe the Port will require over that period.

The Port of Gladstone is seeking to further develop their container terminal and has asked for interested parties to apply to develop and operate the new container terminal.

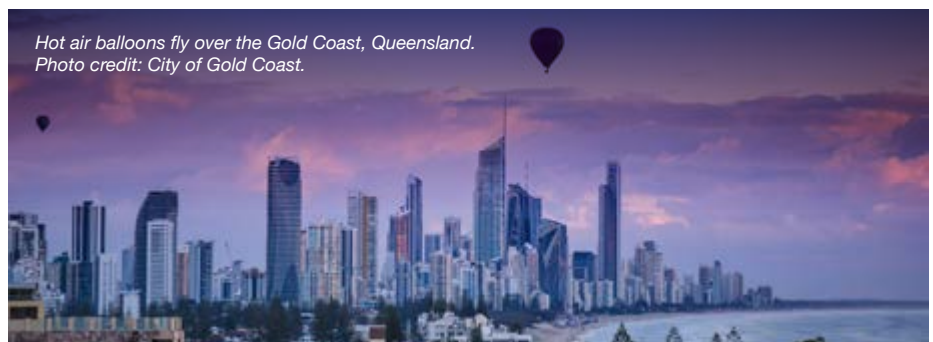
In 2025 the Port of Townsville completed the largest infrastructure project in their history with the \$251 million Channel upgrade.

The region of Mackay is the largest sugar producing region in Australia and supports the coal fields from nearby Bowen and Galilee Basins. Hence the Port of Mackay includes both Coastal and International shipping.

The Port of Cairns remains one of Australia's busiest ports for the Cruise Industry, along with a wide variety of bulk commodities. Cairns is also the centre for consolidation and re-distribution of supplies to be forwarded to the coastal and Island communities north of Cairns.

I want to mention and give my thanks to our Qld Chairman Ajaz Mir for his valuable contribution over the year.

I will also take this opportunity to thank all those people for their advice and help over 2025 and look forward to working with all of you in 2026. May 2026 bring you health, wealth and happiness. ▲



Hot air balloons fly over the Gold Coast, Queensland.
Photo credit: City of Gold Coast.

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Victoria

By CHARLES MASTERS,
Secretary, Shipping Australia's Victoria Committee

The year began with Ports Victoria announcing the appointment of a Harbour Master from the United Kingdom effective March 2025. The position had been vacant for some time with most functions fulfilled by deputy staff. Shortly after the announcement it became apparent the appointment would not materialise and was to be filled by a local having the required experience.

The committee met on four occasions, staged the annual Phil Kelly OAM Golf Challenge, won by "Engage Towage," and held at picturesque LaTrobe Golf Club. Two lunches were organised for members and their clients the first at Kooyong Lawn Tennis Club with guest speaker the then Shadow Minister for Ports and Freight Ms Roma Britnell MP. The content of her presentation was compelling, highlighting many unfinished projects the current Government had failed to complete or deliver on. The subsequent luncheon was an end of year event held at the Royal Automobile Club in Melbourne. Both events were pleasingly sold out.

In last year's report we touched on the financial stress of the State of Victoria's finances. The budget is projected to have a 200 billion deficit propelled by large infrastructure projects, all said to run well over planned budgets. A change of Premier and finance minister has not done much for the optics of good governance, and we are beginning to see evidence of pressure being applied by Government to increase revenues from all sectors.

The port community will not be immune from increases and ultimately will on pass those costs across the trading community. Staying on politics the

opposition party have for the most part been internally focused also changing its leadership. The shadow minister for Ports and Freight, Roma Britnell MP, was replaced by Sam Groth MP a former Olympic-level tennis player who has already announced he will quit politics. The State faces an election in November 2026 and the opposition have to convince the public that they can deliver a responsible government.

The local committee has been vocal in calling for guidance with respect to increased numbers of ro-ro ships loaded with volumes of electrically powered vehicles. The concern aired was about a vessel reporting an onboard fire on approach to Port Phillip. We could not imagine the EPA allowing a vessel into the port, putting at risk the surrounding community and marine life. It was noted in a sub-committee that a discussion on issue was arranged by Ports Australia without result and was referred to IMO for advice. More recently Ports Victoria confirmed discussions were occurring between Fire Victoria and themselves with one member offering an inspection of a ro-ro for Fire Victoria to familiarise themselves with the layout and systems.

Another subject of the committee over the past year with oversight from the Australian Maritime Safety Authority has been GVM compliance and pleasingly the evidence over the past year has seen a greater compliance and less penalties being imposed when 1 tonne exceeded declared weights. Exporters have the message whilst importers are reliant on deciding whether to on pass the penalties to their supplier/s.

The Port of Melbourne having been privatised in 2016 remain charged with

future capacity planning and a 4th container terminal at North Webb Dock is presently being studied, and the operator seeks input from stakeholders. On this front, the Port reports into both the Essential Services Commission and Department of Transport and Finance. We understand the data, which drives the demand for capacity increases, is driven from expectations of population increase and also input from terminal operators. Meanwhile, the phenomenon of so-called "dark factories" is on the rise, which could result in more locally-produced products reducing demand for transportation.

Looking ahead, and automation could be an issue. Tesla is reportedly expected to begin produce vehicles in 2026 without steering wheels, which ought to give drivers all over the world pause for thought. The Samsung vessel which successfully self-navigated between Long Beach and Kaohsiung is a potential game changer. The pace of change ahead could be disturbing; more considered thinking about what the port community needs may be in order. ▲



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Young Shipping Australia 2025 in review

By the YSA NSW COMMITTEE



Young Shipping Australia (YSA) is a non-profit organisation for young professionals working in the maritime industry. Our aim is to foster connection and growth for young people across all areas within the shipping industry. YSA has a diverse membership with representatives from liner companies, terminals, freight forwarders, marine insurers, as well as lawyers, engineers and consultants.

As always, this year YSA hosted a number of social, networking and educational events where our members had the opportunity to discuss important industry news and socialise with likeminded individuals.

Our first event was a tour of GrainCorp's Port Kembla Grain Terminal Export Facility, which is the state's largest grain export terminal. Members were given a tour led by Damien O'Connell, Port Operations Manager at GrainCorp. The tour included the control room, rail hoppers, the famous 10 MT siloes and grain loading facility, which includes 9 km of conveyor belts! It was fascinating to learn about the massive operation of coordinating vessels, grain delivery, biosecurity and export checks that GrainCorp provides to its customers all at the one location.

We extend our warm thanks to GrainCorp for hosting us for a tour

and lunch, and to Reverend Un Tay of Mission to Seafarers for driving the bus with members from Sydney to Port Kembla and back!

Inspired by conversations on the bus from Port Kembla to Sydney, our second event was a breakfast seminar in May hosted by CSL Australia and titled "Shipping in Sydney Harbour and Glebe Island: Reflections on History, Present Use and Future Directions". Members heard from CSL Australia Vice-President Dan Wilson, Government Relations and External Affairs Director Emily Pointon and Scheduling and Customer Service Senior Manager Mark Hughes about the current and future significance and use of Glebe Island as an industrial port, which is currently subject to an uncertain future due to significant pressure to develop the area into residential housing.

The presentation left us more informed about the economic, industrial, environmental and strategic value of retaining a deep-water port in Sydney and the need for any future development on Glebe Island to be done in consultation with port users.

The committee extends our sincere thanks to CSL Australia for hosting members and providing us with valuable insight into the long-term challenges facing Sydney's Glebe Island, as well as the consequences facing the shipping industry and Sydney more broadly as a result.

The balance of our events this year were much more social in tone. In July, YSA joined forces with the Women's International Shipping & Trading Association (WISTA) NSW for our annual Mexican Fiesta End of Financial Year Party, hosted this year by Mills Oakley. We were delighted to be joined by many in costume and celebrate a great night of shipping-related trivia, paper plane competitions and delicious Mexican food with our friends from WISTA NSW.

To conclude the year, YSA is hosting its end of year celebrations with the Maritime Law Association of Australia and New Zealand (MLAANZ) NSW Branch at the 18 Footers in Double Bay. We can't wait to catch up with our members and friends at a veritable sailing institution and reflect on the year that has been!

Thank you very much to those who have given their time to host, present at and attend our events this year. The YSA Committee is grateful for your ongoing support and we are looking forward to another exciting year in 2026. We look forward to seeing you at our next event.

We also extend our sincerest thanks to outgoing committee members who have served our members faithfully, including India Stuerzl of CSL Australia, Sara Menzies of Mills Oakley and Amber Albrecht of HWL Ebsworth who concluded her term as Chair of the Committee. This year, we have also welcomed new committee members Kasia Czarnota of Mills Oakley, as well as James Stewart and Zachary Norgard of HWL Ebsworth. We also congratulate long-time committee member Michael Tatham on his recent appointment as our new Chair.

If you are interested in joining YSA or renewing your membership, you can do this through the Shipping Australia website on the "YSA – New South Wales" page at www.shippingaustralia.com.au/young-shipping-australia/ysa-nsw/.

Finally, we are seeking new committee members for YSA! This opportunity is open to anyone in the broader young shipping community, particularly anyone on the operations side of shipping. If you are interested or would like to discuss what's involved, please do not hesitate to contact us at ysa@shippingaustralia.com.au. ▲

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Is less really more?

The enduring value of specialised project heavy lift shipping

By FRANK MUELLER,
General Manager Oceania at AAL Shipping

In an era dominated by scale, speed, and standardisation, the shipping industry often wrestles with a critical question: is less more when it comes to cost? For project heavy lift shipping, a niche sector in the industry where rising costs have sparked scrutiny, the answer is clear: paying less may not always serve the best interests of cargo owners. In fact, the cheapest option can often become the costliest.

The global shipping industry is under mounting pressure to reduce its environmental footprint. Stricter regulations, such as The International Maritime Organisation's (IMO) target for net-zero emission by 2050 and the EU's 2025 FuelEU Maritime Regulation, mandate the use of low-sulphur, greener fuels. Compliance with these requires significant investment into alternative fuels. These costs cannot be absorbed indefinitely; if freight rates fail to reflect them, the financial strain will ripple through supply chains.

The global surge in infrastructure and renewable energy projects has created unprecedented demand for transporting

oversized, non-standard cargo. Wind turbines, oil and gas machinery, and massive construction components are not just large – they require complex engineering and precision handling. As these projects scale up, so too does the size of their component parts and the complexity of their logistics, placing project heavy lift shipping at the forefront of project execution.

Unlike containerised cargo, project heavy lift shipments are inherently complex. Each load demands meticulous engineering planning, specialised lifting gear, and highly skilled labour. These operational requirements, coupled with higher insurance premiums due to elevated risk, drive up costs. While alternative shipping thrives on economies of scale, project heavy lift is about solutions – minimising risk and ensuring reliability for cargo that cannot afford compromise. Cutting costs here risks cutting corners, and that can lead to delays, damage, penalties and reputational harm.

The Red Sea corridor, via the Suez Canal and Bab-el-Mandeb Strait, has

long been a linchpin of global trade. Recent geopolitical tensions, however, have forced many operators to reroute around the Cape of Good Hope, inflating tonne-miles and operational costs. Suez Canal transits have plummeted and, for many, the risk to sail via Suez remains too high to justify the savings, reinforcing the principle that safety and certainty outweigh short-term cost reductions.

Increasing breakbulk shipping rates reflect not just market volatility but the intrinsic value of the specialised service. Professional Breakbulk carriers offer more than capacity – they deliver expertise. For cargoes that defy standardisation, precision and engineering excellence are non-negotiable. If customers pressure carriers to lower costs, shortcuts will inevitably follow, compromising service reliability and safety.

So, when it comes to cost is less more? In the world of project heavy lift, the answer is a resounding no. While the market offers a range of freight costs, and some operators may seem steeper than others, these costs often represent certainty, safety and successful delivery. For cargo owners, the calculus is clear – specialised, high value cargo demands an expert driven approach where precision trumps volume. In this context, paying more is not a luxury, it is a necessity.

As global supply chains evolve under the twin pressures of sustainability and complexity, breakbulk shipping stands as a testament to the enduring value of specialisation. Rising costs are not merely a reflection of market dynamics, they are the price of precision, reliability and risk mitigation. For those navigating the challenges of project logistics, the lesson is simple: when it comes to project heavy lift shipping: less is never more. ▲





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The LNG-powered box ship, CMA CGM Baalbeck, called at Australian ports in 2025. Photo supplied by CMA CGM.



ANL/CMA CGM Group Commitment to decarbonisation

The CMA CGM Group, which includes ANL as the Oceania specialist, is a global leader in shipping and logistics and has been at the forefront of the industry's transition towards lower emission shipping and renewable fuels. With the urgent need to reduce greenhouse gas emissions and tackle climate change, CMA CGM has committed significant resources to decarbonisation through advanced fleet investments and innovative product sets such as ACT+ and ZEBOX, the group's global technology incubator. The CMA CGM Group remains a leader in the transition to renewable fuels and continues to act for the planet in the journey to net zero carbon in 2050.

Fleet Investments: Leading the Way in Sustainable Shipping

CMA CGM's decarbonisation strategy is anchored in two fields, its investment in a new generation of more efficient, new dual fuel vessels and technical innovation in ship design and ongoing maintenance. For 15 years, the Group has designed and built ships powered by alternative fuels, including liquefied natural gas (LNG), biomethane, and methanol. These vessels emit fewer pollutants and have a substantially lower carbon footprint compared to traditional fossil fuel-powered ships. This global investment saw ANL's, and the Oceania region's first LNG powered containership, CMA CGM Baalbeck, calling Australian ports this year.

CMA CGM now operates one of the largest fleets of LNG-powered container ships in the world and has placed orders for multiple methanol-fuelled vessels that will join the fleet in coming years. Presently the CMA CGM Group operates

77 Bio-LNG vessels and 5 bio-methanol vessels, by 2030 these numbers will increase to 98 and 19 respectively. By 2030 this will take the renewable energy fleet at CMA CGM to 199. Based on the industry order book today this will put the CMA CGM alternative energy fleet almost 90 vessels ahead of the next biggest shipping player.

The Group's commitment extends to retrofitting existing ships to improve energy efficiency, deploying energy-saving technologies such as hull modifications and air lubrication systems, and investing in digital solutions that optimise routing and speed to reduce fuel consumption.

The Group is also exploring the use of hydrogen and ammonia as future marine fuels and is actively engaged in partnerships with technology providers and research institutions to accelerate the development of scalable, clean energy solutions for shipping.

Global Approach: Local Access

The CMA CGM Group is fuel agnostic when it comes to achieving net zero carbon goals, instead focusing on deploying dual fuel vessels where they can bunker lower emission energy and provide the greatest impact. The great news for ANL/CMA CGM customers in Oceania is they don't need to wait for the newer vessels to appear on their local route.

The CMA CGM Group provides a set of ACT+ products that allow clients right now to reduce the carbon footprint of their shipment by 10%, 25%, 50% or 83% regardless of the fuel used on board. We continue to see growing

numbers of customers across the ANL/CMA CGM scope of services choosing these options.

ZEBOX Awards: Recognising Innovation in Decarbonisation

ZEBOX, CMA CGM's global innovation accelerator, plays a key role in nurturing the next generation of climate-tech solutions. The ZEBOX Startup Awards celebrate outstanding achievements in decarbonisation, recognizing start-ups and scale-ups that have made significant contributions to reducing emissions and improving environmental performance in shipping and logistics.

Winners of the ZEBOX Startup Award recipients receive a financial prize as well as access to mentorship, business development resources, and networking opportunities within CMA CGM's extensive global network. This year, Australian innovators RUX took the prize for safe and compliant transport of hazardous goods with their MOF (Metal Organic Framework) technology. This presents an opportunity to minimize hazardous liquids such as new generation fuels. The journey to 2050 will surely see many innovations just like this one.

CMA CGM Group's multi-pronged approach to decarbonisation demonstrates the organisation's unwavering commitment to leading the shipping and logistics sectors towards a net zero carbon future. By investing in new technologies, supporting innovative start-ups, and celebrating sustainable achievements, CMA CGM is paving the way for a more resilient and environmentally responsible global supply chain at a global and local level. ▲



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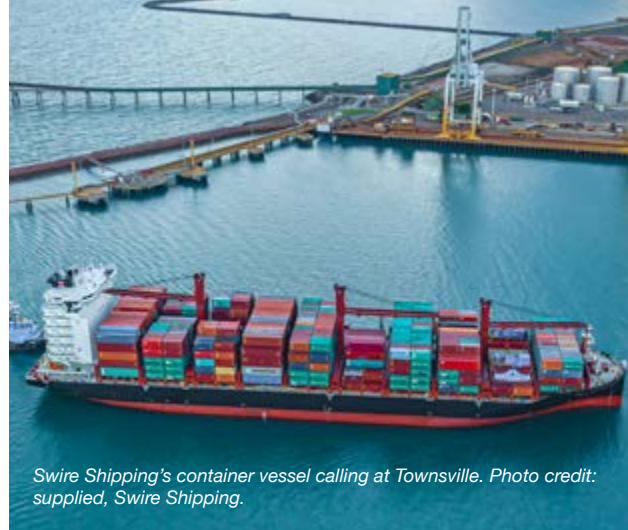
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Our commitment to the Australian market

By SWIRE SHIPPING



As a company with over 150 years of heritage, Swire Shipping has remained steadfast throughout the years in our commitment to our customers, people and communities in the Asia Pacific and to delivering reliable, sustainable shipping solutions that ensures both theirs and our success.

Today, Swire Shipping is a leading shipping company in the Asia Pacific, operating high-frequency liner services between Asia and the South Pacific, transpacific connections between North Asia and the Pacific Northwest, global projects and heavy lift cargoes shipping solutions under the brand Swire Projects, and end-to-end integrated logistics solutions in Asia and the South Pacific.

Australia has been a key market for Swire Shipping for much of our history – more than 140 years! – and continues to be one that we are committed to invest in for the future. We regularly call 5 ports, with 4 liner services connecting Australia to the rest of the world, and a knowledgeable, experienced team of staff on the ground supporting our customers and partners.

As 2025 draws to a close, we reflect on how we have made our mark in the Australian market this year.

- i. Our fixed day fortnightly services connecting Australia to Papua New Guinea and the Solomon Islands (PNG) and Australia to the Pacific Islands (PIS) continue to provide best in class reliability.
- ii. We enhanced our North Asia Express (NAX) liner service, introducing fixed-day weekly sailings and expanded capacity between the Chinese Mainland, Hong Kong SAR and Papua New Guinea (PNG), with fortnightly connections into Australia via Townsville. This move provides our customers in Australia with faster access to markets in PNG and Greater China.

- iii. Our ETS service has continued its fortnightly calls into Darwin, supporting this regional community.
- iv. We expanded our end-to-end integrated logistics offerings to our customers in Australia and PNG by tying up with a local 100% Australian logistics provider.
- v. We also strengthened our commitment to Australia's industrial sectors, aligning services and resources to support mining, oil & gas, construction, and renewable energy projects nationwide. This is an area we would like to spotlight in 2025.

Strengthening Australia's Project Cargo Connectivity

Central to this success was our Western Australia Express (WAX) service operated under our Swire Projects brand, which anchors our operations in Western Australia. WAX provides consistent, dependable sailings that enable customers to move breakbulk cargo as well as heavy and oversize project cargo reliably across the region.

Our Swire Projects team is fully equipped to manage diverse cargo mix and complex stowage planning, allowing us to support multiple customers and sectors on the same voyage. This capability reflects Swire Projects' expertise in handling oversized, heavy lift cargo and delivering tailored solutions for challenging logistics requirements. It also demonstrates our role as a strategic partner, ensuring that complex cargo movements are executed seamlessly under one integrated service.

Our contribution spanned key sectors:

- **Mining**
Shipments of trucks, trays, conveyor belts, and other essential equipment.
- **Oil and Gas**
Components for major projects, including Pluto Train 1 Scarborough

Modifications, the Ceres Project, and a tailor-made sailing and support process for a major offshore development.

- **Renewables**
Complete sets of wind energy turbines and battery energy storage systems for top-performing wind farms.
- **Construction and Infrastructure**
Tunnel boring machines, structural steel, and modules for large-scale projects.

Swire Projects also expanded our footprint by introducing regular calls to Queensland, improving east coast connectivity and helping mining customers meet strict project timelines.

Our success is underpinned by a customer-centric approach, which focuses on prioritising schedule reliability, operational flexibility, and close collaboration with EPCs, customers, and logistics partners. These efforts ensured every shipment aligned with project milestones while maintaining the highest standards of safety and service excellence.

Looking ahead to 2026, we will build on this momentum by enhancing key Australian trade lanes, improving schedule integrity, and reinforcing coastal connectivity. We remain committed to refining our service offering and delivering dependable, customer-focused solutions that enable critical industrial projects across Australia, thereby showcasing our capability to manage complex, multi-sector cargo movements under one integrated brand. ▲

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The people challenge facing the maritime industry

By ROGER WEILLER,
CEO and Managing Director, The MCC Group

As the maritime industry fast-tracks the adoption of AI and automation, it is vital we don't lose sight of another equally critical issue: people.

While technology is reshaping operations, the sector's future depends on attracting and developing a dedicated and resilient workforce.

In time, we may see fully autonomous crane services, driverless vessels, and survey drones operating with little to no human intervention.

However, it's important that we, as an industry, don't become so distracted by the 'shiny object' of AI and technology that we neglect the reason for our success – our highly skilled and disciplined workforce.

A looming challenge threatens our sector; and that is knowledge transfer.

At The MCC Group, we have over 160 team members across Australia, and they are the reason we've delivered a wide range of maritime services for over 30 years. Mentoring and sharing knowledge among the team is critical to that success.

Traditionally, maritime expertise has been passed down from seafarers and sailing master mariners; professionals who are shaped by years at sea.

Our oceans are an uncompromising workplace. Time spent offshore doesn't just teach technical skills, it builds judgment, resilience and grit. These qualities are hard to replicate in a classroom.

With fewer people spending time at sea, how do we teach our future workforce the discipline, work ethic, sense of responsibility and hierarchy you learn at sea?

Many experienced sailing master mariners and seasoned professionals are nearing retirement. As they leave the industry, this knowledge transfer will

become more of a challenge.

Without action, this knowledge gap could become a serious problem within five to ten years.

The solution starts with us – the current generation of industry leaders and managers.

Inspire and invest

We need to start by inspiring our people, creating clear career pathways and investing in their growth.

Success doesn't happen overnight. However, it can happen with the support of experienced and knowledgeable industry leaders who provide opportunities and give you faith in your journey. We the workers then return the faith with loyalty and hard work. But the problem is, not many workers have the patience to trust the process these days.

When I came to Australia from Brazil, alone and aged just 17, I fell into the maritime industry as a cargo hold trimmer after many long hours washing dishes and cleaning hotel rooms.

I learned English and embraced every opportunity to work my way up the ranks. I showed up every day. Whilst I didn't get as much support and mentoring as I would have ideally liked, there was always something to learn from everyone. My superiors built me up by throwing me in the deep end, day after day.

Keep investing in your people because tenacious and strong workforce will shape the future of this industry. If I could do it, then anyone can. I'm just your average person with no superpowers.

Be replaceable

As leaders, we must make ourselves replaceable. If we don't share knowledge, no one else learns how to make decisions and this leads to

a disengaged workforce and stalled careers.

We need to stretch our people, give them guidance and create safe spaces for them to learn and fail. But don't be too soft, as you won't be setting them up for success. The reality is business isn't soft and kind.

People have joined my team without knowing the bow from the stern of a ship, but with initiative, commitment, backed by a professional structure and support, they've built successful careers.

Maintain the human touch

While it is important to embrace automation and AI, it will be some time before AI will be able to mimic the intuitive human judgment that is needed at sea or at berth.

AI and technology can't replace the human touch - we need to combine the best of both worlds.

At The MCC Group, we look for good human beings to mentor regardless of their educational background or where they come from. We call them our 'home brew' - great people that we support and train. We provide them with genuine opportunities and take them on a journey.

It really does make a difference when your business is powered by accomplished and resilient humans!

Building the right workforce for the future of our critical industry isn't just optional - it's our responsibility.

The solution lies in looking for good human beings then inspiring them, sharing knowledge, teaching them the correct work ethics and tenacity you learn at sea, and creating clear career pathways.

Trust the process. This is how we will bulletproof the future of our industry in this great country. ▲

Choosing openness

By the Hon Dr ANDREW LEIGH MP,
Australian Government Assistant Minister for
Productivity, Competition, Charities & Treasury



The Hon Dr Andrew Leigh MP, the Australian Government's Assistant Minister for Productivity, Competition, Charities & Treasury. Photo credit: Hilary Wardhaugh.

For more than half a century, open trade has helped make Australia more prosperous, dynamic and resilient. Yet around the world, support for openness is fraying. Tariffs are creeping back. Multilateral institutions are struggling to maintain the rules that once made the global system predictable.

At moments like this, it is worth reminding ourselves why Australia has done well by keeping our doors open, and why tariffs are not the answer.

The case for openness

The argument for open trade begins with a simple but powerful idea: comparative advantage. Few of us try to do everything ourselves. We do not grow our own wheat, weave our own clothes or forge our own tools. Instead, we specialise in what we do best and trade for the rest.

Nations are no different. When each country focuses on what it is relatively good at, everyone ends up better off. Australian miners export lithium to Korea,

our farmers sell beef to Vietnam, and our universities educate students from across the Indo-Pacific. Our trading partners do the same in return, sending us the products and technologies that make our lives richer and our industries more efficient.

For a country that accounts for just 0.3 per cent of the world's population, trading with others is not optional. It is essential. Exports comprise around one quarter of GDP and trade supports around one in four Australian jobs. It keeps prices lower for households. It gives our businesses access to global ideas and innovations. It helps firms grow to a scale that simply would not be possible if they were limited to our domestic market alone.

A hard-won transformation

It was not always this way. In the late nineteenth century, Australia's colonies were deeply protectionist. Each slapped hefty tariffs on goods from other colonies as well as on imports from abroad.

A farmer in Victoria might pay a duty to buy a plough from South Australia, or a merchant in Sydney might face an extra cost on a shipment of Tasmanian timber.

Federation in 1901 swept away those internal tariffs, knitting together the national economy. But high external tariffs remained in place for decades. For the first half of the twentieth century, Australia protected its manufacturers behind high tariff walls. Those barriers made some local industries viable, but they also raised prices, dulled competition and slowed innovation.

It was only after World War II that Australia began to open up in earnest. Successive rounds of international trade negotiations, first under the GATT and later the World Trade Organization, encouraged tariff reductions around the world. Australia followed suit, sometimes reluctantly at first, but then with increasing confidence.

The real breakthrough came when we chose to cut tariffs on our own initiative. In 1973, the Whitlam government took

the bold step of reducing all tariffs by 25 per cent across the board. It was an act of economic self-belief, a recognition that openness would make us stronger rather than weaker. In the 1980s and early 1990s, the Hawke and Keating governments continued the process, dismantling protection sector by sector. They faced political heat, but history has vindicated them.

By the mid-1990s, Australia had transformed from a relatively closed economy to one of the more open. The results were unmistakable: more competitive industries, new export markets, rising living standards and closer integration with the fast-growing economies of Asia.

Why tariffs are the wrong choice

The case for openness still needs to be defended. Tariffs can be politically tempting, especially when industries feel under pressure. They sound decisive. They seem to promise protection and stability. But in practice they come with heavy costs that compound over time.

First, high tariffs cause disproportionate harm. Just as wind resistance rises with the square of speed, the economic drag rises with the square of the tariff rate. A small tariff may slow things down a little; a large one can stop activity in its tracks. Tariffs distort how resources are used. Firms divert effort into lobbying for protection rather than improving productivity. Consumers spend more for less.

Experience shows that once tariffs rise, they can be difficult to unwind because vested interests grow around them. The result is a less efficient, less adaptable economy, one that rewards influence instead of ingenuity. The lesson is clear: protectionism does not just shield old industries; it suffocates new ones.

Second, tariffs reduce choice. Even modest tariffs create paperwork, inspection costs and uncertainty that can deter importers from offering new products. Consumers pay more and have fewer options. Businesses lose access to the best machinery, technology and materials.

For smaller firms in particular, the administrative burden of tariffs can be prohibitive. A family-owned importer deciding whether to add a new product line may find that the paperwork and

compliance costs outweigh the potential profits. That is why the Albanese government scrapped hundreds of nuisance tariffs on items ranging from walking sticks to crocheted fabrics. Those tariffs did not protect Australian industry; they just clogged the system. By removing them, we cut unnecessary paperwork, eased costs for small business and made trade simpler for everyone.

Choice is not a luxury. It is what drives innovation. When firms can access global suppliers and compete in global markets, they lift their game. When they cannot, they stagnate.

Third, retaliating with tariffs only makes things worse. Trade wars are easy to start and hard to end. Retaliatory tariffs disrupt long-standing supply chains, raise input costs and invite further retaliation.

Australia has shown a different path. When China restricted around \$20 billion worth of our exports, we did not respond in kind. Instead, we worked through diplomacy and diversification. Our exporters found new markets in India, Indonesia and the Middle East. Many of the same products that once went to China, including barley, wine and seafood, continued to find their way to global consumers.

As the economist Joan Robinson quipped, just because your trading partner puts rocks in their harbour does not mean you should put rocks in yours. Retaliation is economically destructive. Openness is not naivety; it is strategic patience.

Fourth, trade is good for workers. Jobs linked to exports pay more on average than those in purely domestic industries. Exporters tend to invest more in training, adopt new technologies faster and create more secure jobs. When firms compete globally, they need skilled, adaptable workers, and they are willing to pay for them.

At the same time, virtually every Australian job depends in some way on imports. A builder relies on imported tools, an engineer on imported software, a farmer on imported fertiliser and machinery. Tariffs on those goods do not just raise prices; they undermine productivity.

Trade does not destroy jobs; it reshapes them. Australia's open economy has seen employment grow steadily even as industries evolve.

Fifth, tariffs hit low-income households hardest. Protectionism is often sold as a defence of the working class, but in practice it does the opposite. Tariffs raise the cost of everyday goods such as clothes, food and household appliances, precisely the items that make up a larger share of poorer households' spending. For a family living on a tight budget, even small price increases bite deeply.

Meanwhile, the benefits of tariffs are concentrated. A handful of protected firms gain while everyone else pays. The burden falls heaviest on consumers who have the least room to absorb it. Tariffs also shrink markets for our farmers and manufacturers, who lose export opportunities when other nations retaliate. Over time, protection erodes rather than safeguards opportunity.

The broader dividends of trade

Openness is not just about economics. Trade fosters trust and cooperation between nations. When we buy and sell from one another, we build habits of partnership that extend far beyond commerce. Those relationships make it easier to tackle shared challenges, from climate change to global tax avoidance to maintaining safe and open sea lanes.

For a maritime nation such as Australia, the oceans themselves are a reminder of the benefits of connection. Our prosperity has always depended on ships sailing in and out of our ports, from the wool clippers of the nineteenth century to the container vessels and bulk carriers of today. Each ship that leaves Fremantle, Darwin or Port Kembla carries not just goods, but the accumulated confidence of a country willing to engage with the world.

The enduring verdict

The world will continue to debate the merits of openness. But Australia's own history gives a clear answer. We have tried protection and we have tried openness. One shrank our horizons; the other expanded them.

For Australia, the verdict is in: trade expands opportunity. Closing ourselves off would shrink it. The more we connect with the world, the more we shape it, and the better prepared we are to prosper in it.

Andrew Leigh is the Assistant Minister for Productivity, Competition, Charities & Treasury, and his website is andrewleigh.com. ▲

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Boosting productivity must be a national priority

By the Hon KEVIN HOGAN MP,
The Federal Member for Page

Last year, Australia exported over \$650 billion worth of goods and services - income that funds our way of life and underpins our national prosperity. Our major exports are iron ore, coal, gas and agriculture, with gold rapidly climbing the ranks.

I take every opportunity to remind people of one of the great unsung achievements of the Coalition while we were in government. Between 2013 and 2022, we lifted the percentage of Australia's goods and services exports covered by a Free Trade Agreement from around 25 per cent to 80 per cent - opening new markets and opportunities for our exporters.

As a regional Member of Parliament and Shadow Minister for Trade, Investment and Tourism, I make a simple point to ask: where do these exports come from? Well, they come from our regions. Around two-thirds or \$400 billion is generated in regional Australia.

And how do we get these goods and services to our trading partners? Through our shipping and ports sector, which handles 99 per cent of our trade by volume. Every day, ships carry the goods, fuel and resources that sustain our economy, and our ports connect Australian producers and consumers to the world.

We often focus on the size of our exports - where they come from and where they go, what they mean to Australia. But I want to go to the people behind it all: the stevedores who load and unload cargo from ships; the container crane operators moving boxes on and off vessels; the ship masters commanding the vessel, its safety and navigation; the marine engineers running and maintaining the engines and mechanical systems; the terminal planners designing loading plans so ships are stable and

efficient; cargo surveyors checking cargo condition, quantity and stowage; the logistics coordinators scheduling trucks, rail and deliveries to match ship times; and the ship chandlers supplying food, equipment and spares to visiting ships.

Without these jobs that facilitate the movement of our goods, Australia could not be the exporting powerhouse that it is. So, I want to say thank you - to everyone involved in Australia's shipping industry. Without you our prosperity would not be.

Our ports alone handle around 1.6 billion tonnes of trade each year and support nearly 700,000 jobs. These figures remind us that every container moved, every vessel serviced, and every crew member trained strengthens Australia's economic resilience.

As global trade becomes more complex and competitive, maintaining a strong, safe and efficient maritime sector is vital. The challenge is not just to keep the industry operational, but to ensure it remains world-class; productive and prepared for the future.

The past few years have underscored how vulnerable global supply chains can be. The pandemic, geopolitical tensions and natural disasters exposed bottlenecks in the system and tested Australia's ability to move goods efficiently. These disruptions have reinforced one lesson - resilience and reliability must be built into our trade systems.

We must also tackle the red tape hindering the efficiency of our ports and shipping networks domestically. The message is clear: reform is overdue. World Bank's The Container Port Performance Index 2023 placed all major Australian container ports outside the top 300 globally, highlighting persistent

performance challenges that add cost and reduce reliability.

That reform must be practical and bipartisan. Investment in infrastructure is crucial, but so is improving data transparency, regulatory consistency and investment certainty. Too often, overlapping responsibilities between government agencies delay decision-making and deter private investment.

Boosting productivity on the waterfront and across the broader supply chain must be a national priority. It means streamlining customs and border processes, improving technology systems, and enabling greater end-to-end visibility of cargo movement. It also means ensuring our regulatory systems encourage competition and performance, not duplication and delay.

Productivity growth is not an abstract concept - it's what lifts wages, reduces costs and sustains living standards. Almost every long-term rise in Australian incomes has been driven by productivity improvements. As the World Bank highlights, ports that operate inefficiently not only raise the cost of trade but also erode national competitiveness - a risk Australia cannot afford in an increasingly contested trading environment.

A critical reform initiative that can deliver real results is the Simplified Trade System (STS) - a once-in-a-generation opportunity to modernise how goods move across our borders. Today, Australian exporters and importers face a complex system spanning more than 30 Australian Government agencies, 145 ICT systems and over 200 regulations, costing up to \$4.3 billion in red tape.

The STS aims to cut through this complexity by replacing dozens of separate systems and forms with a single, coordinated digital platform.



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For shipping, logistics and port operations, this means faster cargo clearance, less duplication and more reliable data sharing between government and industry.

By cutting red tape and aligning regulatory systems, the STS can lift GDP by up to \$1.7 billion a year, reduce compliance costs, and make the Australian shipping industry more competitive globally. A well-implemented system will help exporters get goods to market faster, improve visibility for freight operators, and deliver efficiency gains right through the supply chain.

Reform of this scale requires strong and sustained collaboration between government, industry and technology partners, but the reward is substantial: a trade system that is simpler, faster and built for the future.

Too often we hear about the bureaucratic quagmire of overlapping policies and responsibilities that slow or even derail reform. But as we know, our prosperity as an island trading nation relies on a safe, efficient and competitive ports and shipping sector. This is a priority area that must receive focused attention from government – attention which has been lacking in recent years.

Reliable data is the backbone of a modern trading nation. The Australian Sea Freight 2023–24 Report highlights both the scale and significance of maritime trade:

Export volumes rose 1.5 per cent in 2023–24 to 1,558.2 million tonnes, while total export value reached \$467 billion – despite a 15 per cent fall from record highs in 2022–23.

Imports totalled 111.6 million tonnes, valued at \$336.9 billion.

Cargo vessel calls at Australian ports

increased by 1.6 per cent in 2022–23, reflecting steady activity across the maritime network.

These figures show that while export values can fluctuate with commodity prices, the underlying trade volumes continue to grow, reinforcing the critical role of efficient ports and shipping in supporting Australia's economy.

Better use of freight data allows ports and logistics operators to benchmark performance, identify bottlenecks and plan future investment with confidence. A consistent national freight data network, accessible to both government and industry, could provide real-time insights into cargo volumes, turnaround times and port capacity.

Along with a fully functional STS, this would significantly improve efficiency and reliability across the system.

Australia's trade future depends on partnership – between governments, industry and the people who work in the sector every day. Our shared objective must be to ensure ports and shipping remain efficient, safe and globally competitive.

That requires proportionate regulation, clear communication and coordinated investment. It means reducing duplication across agencies, modernising outdated systems, and maintaining Australia's reputation as a reliable trading partner.

As global trade patterns shift, new opportunities are emerging across the Indo-Pacific. Strengthening regional shipping connections and improving logistics capacity will help diversify our export base and build greater resilience in the face of global uncertainty.

The Coalition supports policies that enhance trade performance, encourage

investment and expand export opportunities for Australian businesses. We will continue to work with industry to ensure the maritime sector remains a driver of productivity and national prosperity.

Shipping will remain central to Australia's economic identity. As global trade evolves, we must ensure our maritime sector evolves with it – through smarter investment, fairer regulation, better data and a workforce ready for change.

The coming decade will test every link in the global supply chain, but it will also open new doors for innovation and growth. By embracing technology and maintaining our reputation for reliability, Australia can remain a world leader in safe, efficient and sustainable shipping.

Shipping has always been a cornerstone of Australia's success, and it will remain vital to keeping our nation connected, competitive and confident on the world stage. ▲



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Collaborating for safety

Practical tools for cargo handling and stevedoring risks

By MEHRANGIZ SHAHBAKHS,
Shipping Australia's Shipping Analyst

Regulatory expectations may appear straightforward on paper, however, in practice they can be challenging and, at times, confusing. Shipping Australia considers this to be the case for ship masters and crew seeking to align international arrangements with Australian regulatory requirements.

First-time callers to Australia face greater challenges, highlighting the need for clear, practical reference tools that simplify the technical requirements and reduce the risk of misunderstandings.

To address these challenges, Shipping Australia, in collaboration with industry representatives and regulators has initiated a structured project to transform Marine Orders 32 (MO32) and the Model Code of Practice: Managing risks in stevedoring into easy-to-follow guidance.

The aim is to help vessels improve their preparedness in line with these requirements before arrival at Australian ports, contributing to safer workplaces and helping support increased operational productivity by reducing ship turnaround time and the potential costs associated with non-compliance.

Scope of the project

In simple terms, MO32 prescribes Australian requirements for loading and unloading operations, and for the inspection, testing, and maintenance of machinery and equipment used for loading and unloading a vessel, which belongs to the vessel. This regime is administered by the Australian Maritime Safety Authority (AMSA).

The Model Code of Practice: Managing risks in stevedoring explains how to carry out stevedoring work safely, with a focus on Work Health and Safety (WHS) for loading and unloading vessel cargo, handling cargo on the wharf, and moving

cargo in and out of the terminal. This regime is administered by SafeWork Australia.

As the two regimes sit in different legal and operational spaces, to avoid confusion and maintain clarity, stakeholders agreed to first focus exclusively on MO32, with the Model Code of Practice: Managing risks in stevedoring to be addressed in the second phase.

Who is at the table?

Following initial setup work in 2023 and continued engagement during 2024, the project collaboration expanded significantly in 2025. A joint industry-regulator network is now actively driving the project forward. The stakeholders involved include:

- Australian Maritime Safety Authority (AMSA)
- Safe Work Australia (SWA)
- Shipping lines and Agents
- Stevedores and terminal operators
- Marine surveyors
- Port service providers
- Shipping Australia policy and operational and legal groups members

From the First Working Group Meetings to a Structure Program of Workshops

Through working group meetings and structured workshops, the involvement of all stakeholders has been critical in bringing operational realities together with regulatory expectations through robust conversations. Stakeholders have shared insights ranging from deficiencies, gray areas, dimensional requirements, and protective fencing to access requirements, inspection processes, and non-compliance with

MO32 and the Model Code of Practice: Managing risks in stevedoring. As the shared goal is to stop unsafe loading and unloading activities and rectify non-compliance through collaborative effort, not to stop the ship or its trade.

Project deliverable tools

These ongoing contributions have now transitioned into the co-development of the first-ever MO32 Checklist and supporting guidance tools that clearly walk users through MO32 requirements, helping them understand and follow the legislation.

At this stage, the project aims to deliver user friendly tools through checklists, guidance material and pictorial representations.

Once published, these tools will be hosted online to ensure easy access and enable continuous updates based in response to regulatory changes and practical experience. This approach will allow target users, regardless of their global location, to access and understand Australian compliance requirements well in advance of arriving in Australia.

Recap

Such a complex, multi-stage initiative is time-consuming but ultimately worthwhile. Progress may be gradual, yet it is robust and enduring.

This ongoing collaborative project brings industry and regulators together with a shared objective: promoting safety, reducing vessel turnaround times and improving productivity.

Shipping Australia would like to take this opportunity to sincerely thank all stakeholders who are working collaboratively on this important initiative and supporting safer and more productive operations. ▲



The BBC Leer transports mining equipment to the Port of Mackay.

BBC Chartering is optimistic for 2026

By BBC CHARTERING

For BBC Chartering the year 2025 was a one. For a few years in a row now, revenues have stabilized on a healthy level after the sudden peak during the pandemic, which was characterized by exceptional levels in charter and freight rates. As we look ahead to 2026, the business outlook for breakbulk and project cargo remains cautiously optimistic - both globally and within our key markets.

Supply and demand in our sector appear to be reasonably balanced and the number of newbuildings for the multipurpose vessel sector remains sparse. New, more efficient tonnage is entering the market while at the same time older tonnage is being phased out, but no overcapacity is being created by the orderbook.

Energy-related cargoes - particularly from wind energy, oil & gas, and mining sectors - remain the primary drivers of demand. These segments continue to generate robust volumes, reinforcing their role as the backbone of our industry's growth.

Globally, we anticipate markets

maintaining a decent performance. That said, Europe faces structural challenges, including sluggish economic growth, high energy and labor costs, and the increasing impact of environmental regulations such as the EU ETS and FuelEU Maritime. These factors are beginning to weigh more heavily on operational margins and competitiveness.

The U.S. market presents a more complex picture. Trade volumes are under pressure due to shifting policy landscapes - tariffs on commodity imports, restrictions targeting specific countries, and sanctions on vessels built in China have introduced a layer of unpredictability.

Geopolitical tensions and ongoing conflicts continue to cause uncertainty in global trade flows. These factors will surely continue to be visible in 2026, requiring agility, foresight, and resilience from industry stakeholders.

After setting sail on its maiden voyage in spring 2024 as the inaugural vessel in the LakerMax series, 2025 saw the BBC LEER arriving at the Port of

Mackay, Australia—carrying mining equipment destined for the Bowen Basin. This marked the vessel's – and the LakerMax series' – very first visit to Australia and underscores the strategic importance of the Port of Mackay in the mining supply chain, particularly its capability to handle complex project and heavy-lift cargo. To commemorate this milestone, the North Queensland Bulk Ports Corporation (NQBPC) presented the vessel's Master with a commemorative plaque—a longstanding maritime tradition that celebrates significant port calls and contributions to global trade. BBC Chartering's Brisbane office team made use of the opportunity to meet the newest member of the BBC fleet, further strengthening the connection between the company's operations in Australia and its expanding global presence. The BBC LEER was just one in a series of vessels to deliver breakbulk cargo to the Port of Mackay in 2025, following the arrivals of the BBC VOLGA, BBC DIAMOND and BBC AUSTRIA, all of which berthed in quick succession throughout June. ▲



The dry bulker Green Universe (IMO 9573751). Photo credit: Alv van Beem via Pixabay.

Speaking for the sector

Why a unified bulk voice matters

By INTERCARGO

Dimitris Monioudis, Chair of the Technical Committee at INTERCARGO (The International Association of Dry Cargo Shipowners), calls for all stakeholders: charterers, ports, terminals, miners, insurers and financiers to break down silos and engage in better communication, collaboration and standardisation. Working in isolation compromises safety, crew wellbeing and supply chain efficiency.

Dry bulk shipping moves the world. Iron ore becomes bridges, factories and skyscrapers. Coal powers industry and homes. Without grain and fertilizers, populations go hungry.

The dry cargo sector represents 43% of the global fleet by tonnage and performs 55% of global transport work. In other words: more than half of all seaborne trade by volume.

Australia is at the centre of this industry. It is a leading producer of iron ore and coal, as well as a major player in grains and critical minerals such as bauxite,

manganese, copper concentrate, lithium and chromite. These exports sustain economic development and energy security worldwide, not just domestically. In 2024–25, Australia’s resource and energy exports were valued at AUD \$385 billion and are forecast to remain above \$350 billion through 2026–27. Iron ore alone contributes over \$100 billion annually. Metallurgical coal remains steady at \$36–37 billion, and thermal coal, though gradually declining, will still deliver \$26 billion by 2026–27.

Critical minerals, particularly lithium, are gaining momentum. Lithium earnings are forecast to grow from \$4.8 billion to \$6.1 billion by 2026–27 as demand for batteries accelerates. Copper exports will climb from \$13 billion to \$16 billion.

What does this mean operationally? Cargo mix changes. Routes adjust. Ships and ports face new operational demands requiring infrastructure modification and upgrading.

Global economic uncertainty has eased somewhat, but risks persist. IMF forecasts show growth inching up to 3.1% in 2026. That sounds optimistic given how tariff disputes and trade fragmentation continue to distort flows. US tariff hikes have triggered front-loading of imports and forced exporters to seek alternative markets. China is restructuring its steel sector to cut overcapacity and improve margins. India is pushing for 300 million tonnes of steel capacity by 2030 but faces its own tariff headwinds.

The energy transition complicates everything even more. Net-zero commitments are reshaping demand without clarity in the associated supply of alternative fuels. Fossil fuel usage is under pressure, yet energy security concerns keep coal in play for now. Thermal coal faces a structural decline, but metallurgical coal demand remains resilient thanks to India and Southeast Asia.

Green steel is no longer a concept; it is a driver. Demand for high-grade iron ore will rise while low-grade fines risk becoming stranded assets. This affects shipping as much as mining.

Operations, Safety and the Road Ahead

Port State Control data reveals an additional challenge: vessels at Australian ports show one of the highest deficiencies per inspection rates globally, with a 4.3% detention rate. These figures reflect AMSA's rigorous enforcement but also highlight the need for constructive dialogue between regulators, owners and operators.

Common issues include hatch cover integrity, ballast water management and Maritime Labour Convention compliance. These issues directly affect safety, efficiency and cost. When ports, terminals and operators work in silos, problems multiply. Misaligned loading practices or unclear communication on ship equipment expectations can lead to delays, disputes and unnecessary stress for crews and shore staff. INTERCARGO is working to bring everyone to the table. Fragmented efforts put lives at risk, cause delays and cost money throughout the logistics chain.

Safety is non-negotiable, the foundation for productivity, resilience and adaptability. Detention rates fell where collaboration improved. Poor coordination, conversely, amplifies risk. Cargo liquefaction remains a leading cause of fatalities globally primarily due to shippers' inadequate practices. Mooring operations and pilot transfers still present hazards. Crew wellbeing suffers when schedules are disrupted by poor communication. Safety is not just a technical issue; it is a human one. Ever increasing cargo loading rates put pressure on humans and hardware.

Then there's decarbonisation. For dry bulk operators, decarbonisation means rethinking safety, design and commercial operations simultaneously. We are still figuring out how new fuels will fit into real-world operations. Ship owners are attempting with great difficulty to assess fuel availability, lifecycle emissions, infrastructure readiness and associated high costs which no doubt will eventually be passed on to the final consumer. These choices will shape fleets for decades, since ships ordered today will most likely trade into the 2050's.

INTERCARGO was established in 1980 and has gradually grown to represent around 200 quality owners/managers operating approx. 4,500 bulk carriers representing 40% of the global fleet including more than 55% of the capesize vessels calling Australia.

INTERCARGO's partnership with Singapore's Global Centre for Maritime Decarbonisation in 2025 is an example of our commitment to evidence-based progress and engagement with all potential enablers worldwide for a safer more sustainable shipping. Regulation alone cannot deliver this transition; it must be supported by real data, real vessels and real collaboration. And that collaboration must extend way beyond shipowners to ports, terminals, charterers, cargo interests and insurers because fuel readiness, port and bunkering infrastructure and cargo compatibility are shared responsibilities.

2026, sees the world placing huge demands for a better future on technological developments. But here is the truth: too often, digital tools just make things harder.

Technology succeeds when it genuinely reduces administrative burden, strengthen human skills and supports decisions. Otherwise, it becomes another problem. Digital tools only work when data flows freely across the chain. Fragmented systems and inconsistent standards undermine efficiency. INTERCARGO advocates for digital solutions that promote interoperability and transparency because standardisation is the foundation of progress.

INTERCARGO Leadership and the Call for Collective Action

INTERCARGO represents owners and operators at the highest levels of global decision-making. Our Technical Committee examines risks, explores solutions and strives to shape current best practices and future standards. We engage directly with classification societies, port authorities and research institutions. We participate actively at the IMO, bringing forward evidence and insight that reflect real operational experience over many decades.

Our support of DryBMS, the quality self-assessment scheme for dry bulk operators, is a clear example of this

leadership. By promoting safety, environmental performance, crew welfare and operational excellence, DryBMS provides a practical framework for continuous improvement. For Australian stakeholders, participation in these initiatives is not just a badge of quality; it is a competitive advantage. But DryBMS works best when its principles extend beyond the ship to the terminal, the port and the overall supply chain. Quality is not a siloed concept; it is a shared responsibility.

The path forward requires cooperation. There is no genuine alternative. Silos compromise safety, crew wellness and supply chain efficiency. Safety challenges, sustainability pressures and technological change all demand collective solutions. They require shared understanding, coordinated action, transparency and realistic ambition.

INTERCARGO is not here to dictate. We are here to convene. We invite charterers, ports, terminals and cargo interests to sit at the same table and speak openly about what works and what does not. Paying lip service to collaboration is simply not enough. We know that operational friction often comes from misaligned priorities. We also know that true collaboration reduces risk and improves efficiency. When everyone shares data, standards and expectations, ships spend less time waiting and crews spend less time under stress.

This is not theory. Over the past few years, we have seen the concrete benefits where actual dialogue exists. Detention rates fall. Safety improves. Commercial outcomes improve. The challenge is scaling that success across the global dry bulk network. That is why INTERCARGO continues to push for practical frameworks, transparent benchmarking and a culture of accountability. We believe the sector can lead by example, but only if every stakeholder accepts that responsibility.

INTERCARGO invites all Australian stakeholders to step up and establish clear and regular communications with the ship operating community collectively. It's impact on the Australian economy is too big to ignore.

Dry bulk shipping remains central to global trade. Keeping it there requires working together. ▲

New fuels, same old conventions?

By the INTERNATIONAL GROUP OF P&I CLUBS

With IMO's 2050 decarbonisation targets for the shipping industry looming large on the horizon, the number of ships on the water or ordered with a capability to run on a low-carbon or carbon-free fuel continues to rise. But will the liability and compensation regimes designed to deliver swift and easy access to compensation when bunkers are spilt keep pace?

Changing fuels - but to what?

Figures from DNV highlight that whilst only a tiny part of the current fleet are equipped to burn low or carbon-free fuels, the numbers are set to grow exponentially. Already, 21% of the newbuildings contracted in the last twelve months are dual-fuel, with methanol and LNG (not itself a carbon-free alternative but one of the so-called "bridge fuels" facilitating the transition from conventional fossil fuels to renewable energy sources) leading the pack in terms of an alternative to IFO or MDO.

Other fuels – like ammonia, hydrogen and LPGs – are also contenders but there is as yet no clear sense of direction of in which technology shipowners will invest their capital. The same sense of uncertainty also surrounds the bunkering market, where the absence of a clear sense of direction behind one or other of the potential new fuels discourages investment in port handling and bunkering facilities for fear of making the wrong bet.

Known knowns – bunker spills today

Currently, the spillage of bunkers, whilst undoubtedly messy and often a cause of environmental damage, is at least a largely known threat. It creates a toxic pool in the marine environment which needs to be cleaned-up, but which

often gets washed ashore and causes harm to people's livelihoods. But unless it is directly ingested there is little risk to human life, it typically doesn't catch fire very easily and over the last half a century or so a global network of responders have developed effective means of clearing it up.

More importantly, for most of the world there is an internationally accepted and well-tested liability and compensation regime that has delivered efficient funding for clean-up and compensation to those impacted by spills: the 1992 Civil Liability (CLC)/Fund Conventions for the spillage of persistent oil from tankers (including their bunkers in certain circumstances) and the Bunkers Convention 2001 for bunker spills from other types of ship. These will hopefully be joined in the not-too-distant future by the Hazardous and Noxious Goods Convention 1996 (HNS) for spills of other harmful materials, so creating a complete liability and compensation regime for any ship-source spill.

New liability perspectives

But what happens if there's a leakage of a new type of fuel, methanol or LNG say?

The knowledge and frameworks we've relied upon for decades may suddenly be obsolete. With the exception of biofuels, there's very unlikely to be anything in the water to be cleaned-up. Instead there could be a gaseous cloud, potentially toxic or explosive in nature, and which represents a very real threat to the ship's crew, the port and its workers, and perhaps even the surrounding population.

The existing IMO conventions will offer little help. Both CLC and the Bunkers Conventions are predicated on the pollutant being a hydrocarbon mineral oil so will not apply and other liabilities

like death or personal injury are not compensable losses under these conventions anyway because they fall outside their definition of pollution damage.

This is not to say of course that compensation will be unavailable for the consequences of spilling one these fuels. No doubt the shipowner will be liable under local law in the jurisdiction where the spill occurred. But the IMO conventions confer significant benefits on claimants:

- It's a strict liability regime regardless of fault, so the claimant does not have to prove negligence to recover
- The insurer is directly liable in case the shipowner is unable or willing to pay
- Pure economic loss (not normally recoverable in many jurisdictions without accompanying physical damage) is allowable.

None of these features are likely to be universally available with spills of these new fuels, meaning that claimants face the need to prove negligence and to try to secure their claim against any of the polluter's asset, since there will probably not be any right of direct action against the insurer.

Clearly then the lack of an established liability compensation regime similar to that which exists for hydrocarbon oil spills could make recovery challenging for claimants, especially if the ship – the shipowner's only asset in the jurisdiction – has been destroyed.

Looking for solutions

The International Group of P&I Club's Pollution Committee established an Alternative Fuels Working Group to consider the options for addressing this issue, especially in terms of potential



Gaseous carbon dioxide in a transparent colourless solution. Low- and carbon-free fuels will grow in importance. Photo credit: "Michaela" via Pixabay.

action by states at IMO. There seem to be three options but none are straightforward or, in the short term at least, would deliver the kind of benefits to claimants offered by CLC or the Bunkers Convention.

Firstly, the Bunkers Convention could be amended. As a minimum, a change to the definition of "Bunker oil" from being limited to hydrocarbon mineral oil to, perhaps, "any substance used or intended to be used for the operation or propulsion of the ship" might be a good place to start. Elegantly simple but limited in its impact, because the definition of pollution damage under the Convention is too narrow to encompass the kinds of losses which might arise in a spill of a new fuel. Opening up that definition would be a far bigger job.

Another option and one seemingly offering more scope is the HNS Convention, which already allows recovery for those wider types of losses including illness and injury. However, it only applies to spills of commodities carried as cargo not as bunkers and so would require amendment. HNS has had

a long and challenging gestation period since first being promulgated in 1996, requiring a new Protocol in 2010 in an effort to address some of the issues. It continues to move slowly towards meeting the qualifying criteria to finally come into force and it is very unlikely that states would want to delay that process by putting forward more yet amendments to bring bunker spills within scope.

The third option is a new, standalone liability and compensation convention governing the spills of non-hydrocarbon bunker fuels. But that would not be a quick process and could be many years, perhaps decades, in the making, even if states had the will to start the process.

Insurance cover to the rescue

Despite the lack of a formal regime, insurance cover for these liabilities is already in place. P&I cover responds to incidents when these commodities are carried as cargo and will do the same when carried as bunkers. The Clubs have decades of experience in insuring and handling these types of claims

so are well placed to help shipowners meet their liabilities at law in the local jurisdiction when an event occurs, notwithstanding the lack of any IMO convention.

But as we have seen from the Torrey Canyon onwards, new pollution legislation often follows swiftly after a major catastrophe. Let's hope that it doesn't take a serious incident with one of these new fuels to force a solution. To help avoid that scenario, the IG co-sponsored a paper put forward by fourteen states including Australia, New Zealand and Canada at the IMO's Legal Committee in March 2025 proposing that work be undertaken to assess the liability and compensation gap around alternative fuels and what solutions might be available to provide a comprehensive solution. That work is ongoing and the IG is pleased to be working alongside Australia and other states as well as industry partners to see if an agreed route can be found to create the next generation of global liability and compensation regimes to meet the growing use of these new fuels. ▲



Turning the tide on cargo fires

By JOE KRAMEK,
President & CEO, World Shipping Council

Cargo safety was impossible to ignore in 2025. Major ship fires have again made headlines, reminding us that every incident is first and foremost a threat to people.

The data behind those headlines is sobering. Allianz has reported that ship fires are now at their highest level in more than a decade. Misdeclared dangerous goods are a leading cause of ship fires, reported as responsible for more than a quarter of all cargo-related incidents. For liner shipping that translates to a major shipboard fire roughly every 60 days, each one putting lives at risk and disrupting supply chains.

Inspection data underlines the scale of the problem. Reporting to the International Maritime Organization (IMO) by national authorities shows deficiencies in around 11 percent of inspected containers, including incorrect documentation and improper packing. Each of these deficiencies represents a potential spark for disaster. Misdeclared or undeclared dangerous goods are the common thread in many of the worst cases, as shipments enter the supply chain incorrectly documented or concealed, bypassing the safeguards that protect crews and vessels.

As an industry, we knew that individual actions alone would not be enough. So, together we took a big step in 2025 by launching the World Shipping Council Cargo Safety Program. At its core is a digital screening tool, powered by the National Cargo Bureau, that screens cargo data at the time of booking. Using keyword analysis, trade pattern recognition and machine learning, the system highlights bookings that may represent undeclared or misdeclared dangerous goods.

Carriers participating in the program – representing more than 75 percent of

global container capacity – are able to receive these alerts and can take action in accordance with their risk policies and procedures.

What makes this initiative significant is not only the technology, but the scale and standardisation behind it. That scale allows for shared algorithms, common inspection standards and a feedback system that incorporates lessons from real-world cases. As the system is used, it learns, refines and strengthens. Instead of isolated company efforts, the industry now has a coordinated, data-driven way to move dangerous goods risk management upstream.

We're talking millions and millions of container screenings that the whole industry can benefit from.

The launch of the WSC Cargo Safety Program has also drawn support from the wider risk and insurance community. The International Group of P&I Clubs welcomed the initiative as "an important step in enhancing safety in the carriage of containerised cargo by identifying the risks of misdeclared shipments," recognising its potential to protect vessels, seafarers and the marine environment, and supporting its adoption across the sector.

It is important to stress that the WSC Cargo Safety Program does not replace the legal obligation of shippers to declare dangerous goods accurately. That obligation is the cornerstone of safe shipping and is established in international law. What the program does is provide an additional layer of protection when that obligation is not met. It is a pragmatic acknowledgement that misdeclaration continues to occur at scale, and that the cost of inaction is measured not just in financial losses, but first and foremost in lives.

For seafarers, the stakes are personal and immediate. Too many have lost their lives to fires that began in containers packed far from the vessel, with goods declared in ways that obscured their risks. They should not be exposed to hazards they cannot see and cannot prepare for. By detecting risks earlier and standardising inspections, the WSC Cargo Safety Program gives crews a far better chance of avoiding these situations altogether.

Maritime risk has always been shared risk, and the WSC Cargo Safety Program reflects that reality. Carriers have taken the lead by investing in shared standards and technology. However, it is equally important that Governments enforce the rules consistently, and shippers and freight forwarders fulfil their obligations honestly and accurately.

Every container fire avoided is a life protected, a vessel saved, a cargo safely delivered and avoidance of potential harm to the marine environment. ▲

The rise of regional rules risks more complex and costly global shipping

By JOE KRAMEK,
President & CEO, World Shipping Council

Global trade has grown again in 2025. Ships are carrying more goods, routes are expanding and new markets are emerging. But behind that growth, regional trends are pulling in different directions – and the rules that shape trade are fragmenting.

From tariffs and port fees to differing climate rules and export restrictions, a wave of regional policies is adding complexity and cost to trade. For exporters, importers and consumers, that means more uncertainty about prices, routes and delivery times. For carriers, it means constantly adjusting global networks to keep cargo moving.

Decarbonisation: where we need ambition and alignment

While tariffs have grabbed the headlines in 2025, we've observed a growing web of regional emissions rules that now risks slowing the industry's decarbonisation and making global shipping more complex and costly.

In last year's edition, I wrote that green ships are coming, but commercially viable green fuel is the bottleneck. That is still true. Ocean carriers have ordered hundreds of dual-fuel vessels and are spending billions on engines, storage systems and port infrastructure for low- and zero-GHG fuels. I noted that more than 600 dual-fuel liner vessels were due to be on the water by 2030; with orders placed this past year, that figure is now over 1,000. The direction of travel is clear: shipping is gearing up to reach net-zero greenhouse gas emissions.

The World Shipping Council is strongly behind that goal. Our members are making long-term commitments to build the ships and prepare the supply chains that a net-zero future will need.

What has lagged behind this ambition is the global regulatory framework that will

make those fuels competitive and widely available. At the International Maritime Organization (IMO), governments have been working on a Net Zero Framework – a package that combines a fuel standard with an economic measure to narrow the price gap between fossil fuels and green fuels. While there are differences concerning what regulatory elements are critical, a global measure is exactly what is needed to serve global trade: one system that provides a level playing field and gives shipowners, fuel producers and ports the clarity to invest at scale.

Unfortunately, the IMO decision on the Net Zero Framework was postponed in October 2025, leaving another year without the clarity needed to accelerate the transition. What has not changed is the fundamental point: a global solution remains the most efficient, affordable and effective way to get international shipping to net-zero.

Why a patchwork is bad news for Australia – and for the climate

When global rules stall, regional fragmentation tends to emerge.

We already see regional climate measures affecting shipping: different carbon-pricing schemes, fuel standards that apply only on some routes, and overlapping reporting systems that all ask for similar information in slightly different formats. Elsewhere, new port fees and trade measures are being introduced with little regard for how they interact with existing rules.

Each measure may look manageable on its own. Together, they create a dense web of differing requirements that drive up compliance costs while making shipping complicated and less efficient. A liner service linking Australia with Asia, Europe and North America in a single rotation can, in practice, be subject to several climate rules and trade measures

at once – each with its own definitions, exemptions and penalties.

The result is not only higher costs. Fragmentation also risks delivering less emissions reduction. If carbon prices and fuel rules vary widely between regions, cargo and ships may be re-routed, shifting emissions rather than cutting them. Conflicting definitions of what counts as “green fuel” blur the demand signal for fuel producers, slowing investment instead of accelerating it.

Global rules for a global industry

The problem is not regulation – it is uncoordinated regulation pulling a global system in different directions and slowing progress toward net zero.

IMO remains the place to get a global agreement. That means pressing ahead with a single framework that cuts emissions and gives industry the certainty to invest.

For Australia, backing that outcome aligns climate ambition with economic self-interest. A predictable global regime clarifies future carbon costs for exporters and importers, helps unlock investment in green fuel production and bunkering, and supports Pacific partners that rely on maritime links.

At the start of 2025, the question was whether green fuels would arrive in time for the green ships being built. That question still stands. Today there is another: will the rules we design help global shipping reach net zero as efficiently and affordably as possible, or make the journey longer and more expensive than it needs to be?

If we keep the focus on ambitious global solutions, decarbonisation can strengthen – not weaken – the maritime connections Australia relies on and bring a net-zero global shipping system within reach. ▲



New Zealand? or 'No-Zealand'!

By VERONICA SYMANN,
President of Shipping NZ

A cruise ship calls at the multi-purpose Port of Lyttelton, New Zealand. Photo credit: Athithan Vignakaran

It is a sad reality for the shipping industry in New Zealand that a combination of increasing costs and Government restrictions are changing the nature of the country to “No-Zealand” in the eyes of ship operators, owners and agents.

New Zealand is in danger of pricing itself out of the market for international shipping. For a country which relies on shipping for the carriage of over 99 percent of our exports by volume, we are becoming one that shipowners and operators see as a high cost drain on their profitability.

Cargo owners agree. They are concerned at the costs of doing business through our ports. International carriers and cruise lines have the same view.

It must be remembered that we are geographically isolated and remote from the main trading routes, so our trading livelihood depends on attracting ship operators here.

The fear is that some operators will review whether it is worthwhile serving our shores, given the ever-increasing plethora of obstacles put in their way. New Zealand will always have trade, but a growing concern is of pushing away good responsible owners and the implications that come with that for our country and our environment.

Those obstacles include rising port prices, poor port productivity, increasing Government fees, stringent biosecurity rules and unrealistic visa requirements for ships’ crews.

Port pricing and poor productivity have been highlighted by New Zealand’s major exporters and importers. They tell the market that “New Zealand Inc” suffers because our port costs are going up while port productivity is either going down or stalling. Recent submissions to Parliament’s Transport and Infrastructure Committee inquiry into our ports and the maritime sector revealed the extent of the cargo owners’ concerns.

Carriers themselves used the Parliamentary inquiry to emphasise how productivity has declined. They were scathing.

The International Container Lines Committee, representing the deep-sea lines, used Ministry of Transport statistics to compare 2019 Q1 as a base year with Q1 2025. Cargo moving in and out of our ports declined by nearly 4%. -- we are handling less tradeable cargo overall than in 2019.

ICLC reviewed the productivity in our four main container ports accounting for about 85% of our total volume throughput. Their “ship rate” (the number

of containers moved on and off a ship per hour across all cranes) has reduced from 68 moves per hour to 55.

“This represents as much as 250 moves less per 24-hour period on every vessel working in New Zealand at any one time. This is close to a 20% reduction in productivity and is very concerning,” says the ICLC.

The lines warn that productivity must be lifted across all ports and through the whole supply chain to support economic growth – “Right now, the reality is that we are going backwards”.

The threat of “No-Zealand” is real. Last year, a Maersk representative warned that New Zealand has become a relatively high-cost country for international shipping lines to service, saying: “Lines need to optimise profitability within their fleets –it is crucial to keep an efficient supply chain to mitigate rising costs. Optimising the performance of the port network is essential for a robust supply chain infrastructure.”

So, if container lines can make more money by deploying vessels away from New Zealand, it makes commercial sense to do so.

Government Fees and Biosecurity

More than container lines who have these fears. Shipping agents know that bulk operators view steep Government fee increases as a barrier here.

An example of the Bureaucracy's view of applying costs to ship operators is the newly-introduced Commercial Vessel Fee (in place from 1 April 2026) – a cost of NZD4679 + GST for every commercial vessel entering New Zealand, payable at first New Zealand port.

Shipping New Zealand, representing some international bulk operators, container lines shipping agents and other service providers around our ports, strenuously opposed this and other increases. Our view is that higher border charges in the maritime sector are being passed back to the New Zealand importer and ultimately the taxpayer in the goods they purchase (likely at a much higher rate considering all the administrative costs involved in handling this new fee). Government consultation was poorly managed and the concerns of the payers of this fee were ignored. The outcome appeared preconceived.

In addition, MPI have been trying to implement changes to the Biosecurity Act which would give them greater powers in dictating where vessels can clean between the 12nm zone of NZ territorial waters and the 200nm EEZ, with no evidence provided as to any damage being caused by commercial shipping in this area. Another unnecessary battle for shipping operators to face in bringing ships to New Zealand. Again, there was significant rejection from the wider industry to this change, and we wonder why it was even suggested in the first place when there was already industry concern on the current settings. At the time of writing, it has been advised that this will not be implemented (for now).

Cruise line operators are equally concerned about rising port costs, Government fees and biofouling rules. They say New Zealand is now the most expensive region for them to visit, and

they are looking elsewhere. We are already seeing a significant decrease of cruise ships calling New Zealand and this trend seems likely to continue for the next few years at least.

New Zealand Cruise Association says biofouling risk, uncertainty, cost and perception make it impossible for lines to confidently predict a ship will be allowed to enter New Zealand. The brand risk and operational cost is unacceptable to many lines. New regulations and costs being introduced inside the booking window (18-24 months) create unmanageable planning and budgeting risks.

Visa Rules

Then there is the long-standing crew visa issue.

For years, shipping agents have asked the NZ Government to revise the 28-day visa rule for visiting seafarers. Every year, several bulk vessels get caught because of having to discharge and load at several ports while having to queue for berths at congested ports.

Agents must apply for extensions for the crews' visas when the ships exceed 28 days on the coast. It might cost about NZ\$30,000+ each time and is a complete waste of money because most ships have moved off the NZ coast within 35 days.

It was recommended by Government that Shipping NZ work in with the Shipping Federation (representing NZ domestic carriers), who in the past had been nervous about a possible change. The two organisations met and came up with an agreement that recommended some flexibility in the visa requirements for crews caught by the current rule.

The joint suggestion went to Immigration Minister Erica Stanford. She knocked it back, saying that only approximately 1% of cases go over the deemed visa period. Our understanding that this Government regulation is not entirely difficult to change (or extend), it is just a willingness from our government to address this long-standing issue.

What that fails to understand is the 1% are mostly in the bulk shipping sector, representing a higher percentage there. Also, with bulk ships having multiple agents for different cargoes into and out of New Zealand, are all the ships required to meet this rule meeting it? Bulk ships transport our fuel and essential agricultural products to support our meat and dairy industries and carry our export logs outbound. It is a genuine problem that Government continues to ignore.

Shipping New Zealand has raised this issue with various Immigration Ministers for several years, yet they continue to dismiss the importance of the issue to our sector. I can't see why the Government would not agree to a joint proposal from Shipping NZ and the Federation that would reduce costs - where's the downside when both sides agree?

The bulk and container sectors are the most common sectors for overstaying their 28 days due to port productivity delays during their voyages, so it is a double whammy with international shipping lines footing the bill for New Zealand's poor performance and inflexible visa regulations.

New Zealand is now among the most expensive places in the world for any ship to visit. We are seen as difficult to work with, unwelcoming and unpredictable.

It appears that many sectors of the shipping and supply chain see things that the Government isn't seeing. We need to arrest our cost base and improve our port productivity. Because if we don't, our trading future will be decided not by the New Zealand Government, but by the heads of shipping lines elsewhere who are not focused on New Zealand beating its economic woes.

For a country so heavily reliant on trade, it seems very odd that there is not a positive focus in this area.

New Zealand must rid itself of the "No-Zealand" tag, and quickly. ▲



Safeguarding global regulation to unlock Asia Pacific and ASEAN maritime opportunity

By THOMAS A. KAZAKOS,
Secretary General, International Chamber of Shipping

The international regulatory framework that has long governed global shipping stands at a moment of real consequence. For decades the system developed through the International Maritime Organization has provided uniform rules for a sector that transcends borders. It has delivered consistency for shipowners, supported environmental responsibility, and ensured that global trade flows efficiently and safely. Yet this framework now faces increasing pressure. For Australia and for the wider Asia Pacific region, this challenge is accompanied by significant opportunity, provided that governments remain aligned with global rather than unilateral approaches.

The most visible pressure arises from an increasing tendency for regional or unilateral measures to be introduced without full consideration of their global implications. An example of this is the EU's Emissions Trading System which includes international shipping. This helps to create the precedent in which regional market based measures were applied to a global industry whose operations traverse multiple jurisdictions in a single voyage. Whatever the environmental motivations behind such actions they nonetheless undermine the principle that regulation of international shipping is most effective when crafted and implemented through the IMO.

The urgency of maintaining international unity was made clear during the recent Extraordinary Session of the Marine Environment Protection Committee. The session was convened to accelerate progress on the IMO's greenhouse gas strategy and to develop a global economic measure capable of guiding the industry's transition. Although broad agreement emerged around the principle of a worldwide GHG pricing mechanism, divisions remain on how such a measure should be designed and implemented. The concern is that if progress at the IMO is perceived as too slow, influential regions

may again move independently. This would jeopardise both global regulatory consistency and the ability of emerging centres of maritime activity to fully capture the gains of transition.

The Asia Pacific region presents enormous maritime opportunities, particularly with the surging economic significance of ASEAN. This growing regional influence has made it a focal point for ICS, resulting in the opening of a new office in Singapore alongside our established offices in Hong Kong and Shanghai. The potential of ASEAN and the wider Asia Pacific maritime network underscores the importance of global regulatory coherence: if the right frameworks are in place, the region is well positioned to lead in clean maritime technologies, investment, and trade connectivity.

For Australia, the stakes are considerable. With an economy deeply connected to global shipping, and trade routes linking the country to Asia Pacific, hubs are vital for growth. A coherent global regulatory structure is essential to safeguard efficiency and cost predictability across these networks. Should the system fragment into regional schemes, Australian exporters and importers would face increased complexity and costs, directly impacting the ability to conduct business. ICS' global trade Protectionism in Maritime Economies Study demonstrated that if countries cut restrictive maritime trade policies it could help boost GDP by as much as 3.4% for national economies. Conversely, a unified global economic measure developed through the IMO could deliver substantial benefits, including increased investment in clean fuels, infrastructure, and innovation that strengthen the maritime capabilities of countries across the region.

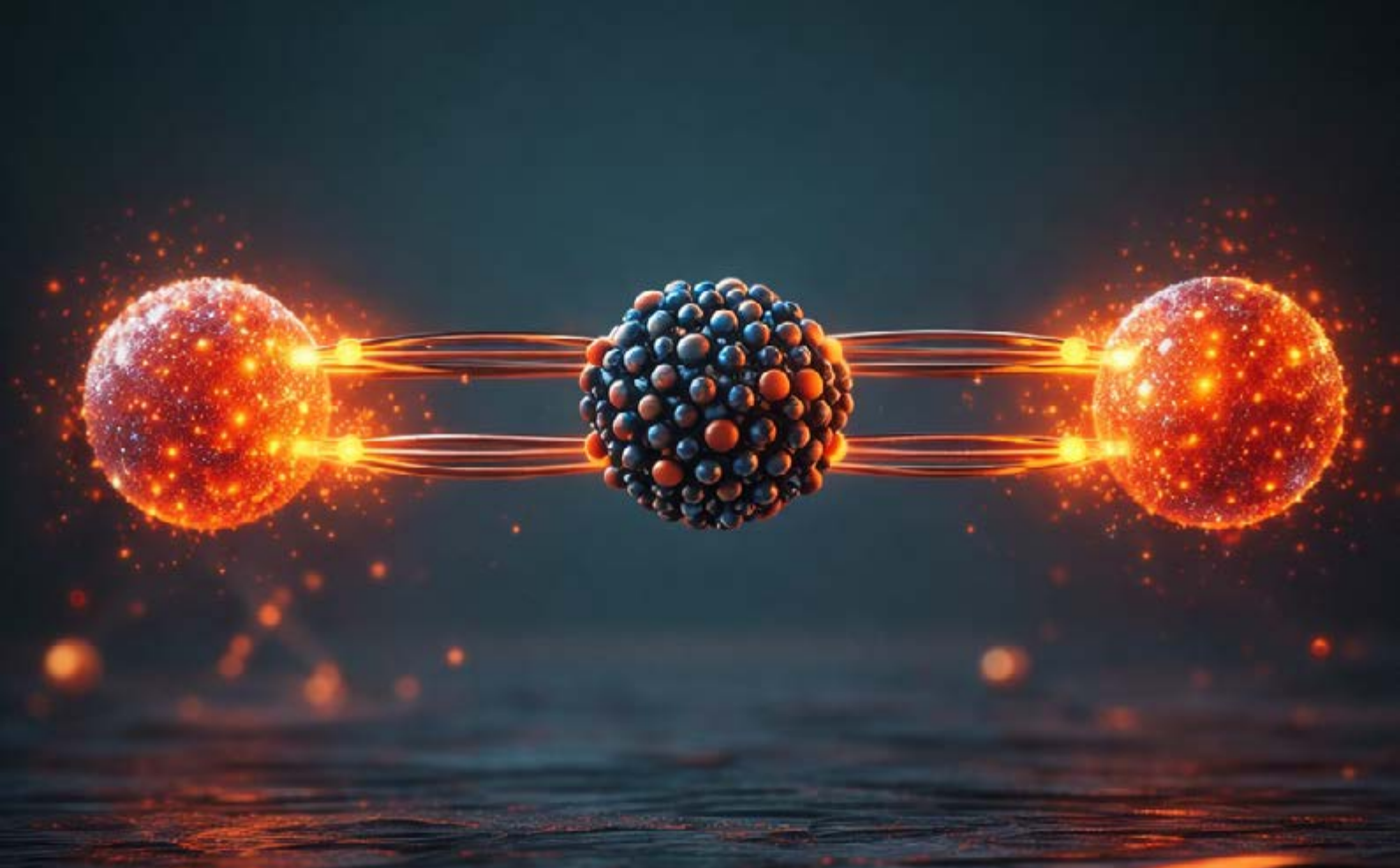
The shipping industry requires clarity predictability and uniformity. Shipowners and operators cannot invest confidently in new technologies and fuels when the

regulatory environment is fragmented or subject to political shifts. Nor can global supply chains operate efficiently when vessels must navigate a patchwork of regional schemes each with its own compliance rules and cost structures. The strength of the international system has always been its ability to avoid such fragmentation and to allow for efficiency via a level playing field in which complex technical issues can be addressed through collaboration rather than competition.

Our industry is fully prepared to support ambitious global action. Shipowners recognise that decarbonisation is essential and that a predictable regulatory environment is critical to meeting this challenge. Fragmentation would slow progress. Global alignment would accelerate it, enabling maritime hubs including Singapore, Hong Kong, Australia, and the rising economies of ASEAN to grasp the economic and technological gains that decarbonisation will bring.

As Secretary General of the International Chamber of Shipping I reiterate that the IMO remains the only legitimate forum for the development of climate regulation for international shipping. The industry stands firmly behind the multilateral process. If governments resist the pull of unilateral action and reaffirm their commitment to global agreement, the rewards will be substantial. The Asia Pacific and ASEAN regions in particular are poised for significant maritime growth. Australia stands to benefit from this evolution provided that the regulatory framework remains coherent and truly international.

By protecting the integrity of the global system we do more than avoid fragmentation. We enable one of the most dynamic regions of the world to realise its full maritime potential. With the right global regulation in place, the opportunities ahead are immense. ▲



Green waves ahead

Australia's strategic advantage in the race to net zero

By MANISHA TANEJA,
Executive Committee Member – Bulk Liquids Industry Association (BLIA)
Chartering Operations Manager – Bulk Liquids, Incitec Pivot Fertilisers

A Maritime Industry in Transition

The global maritime sector is undergoing its most significant energy shift in decades. Cleaner fuels once seen as experimental are rapidly becoming central to commercial operations. Renewable diesel (HVO), bio-methanol, SAF, Ammonia, FAME biodiesel and emerging advanced technologies are moving from trials to real-world deployment across supply chains.

For Australia's bulk liquids sector, this shift is both a responsibility and an opportunity.

As the custodians of the fuels that keep industries moving, bulk liquid operators directly influence the nation's pathway to net zero.

Key Industry Data

- International shipping contributes ~3% of global CO₂ emissions (IMO).
- Biofuel bunkering volumes grew over 400% between 2022 and 2024 across major hubs.
- Renewable diesel (HVO) use in marine trials shows up to 90% lifecycle emissions reduction.
- Australia produces over 1 million tonnes of potential biofuel feedstocks annually (tallow, UCO, agriculture-residue).

Why Renewable Diesel (HVO) Is Gaining Ground

Renewable diesel is emerging as one of the most practical fuels for reducing emissions now. Its properties closely resemble conventional diesel, making it suitable for vessels, port equipment and heavy-logistics operations.

Advantages include:

- Higher energy content and cleaner combustion
- Strong storage stability and handling performance
- Compatibility with existing marine engines
- Significant lifecycle emissions reduction

Performance Data

- HVO delivers 8–12% higher energy density compared to FAME biodiesel.
- Engine manufacturers report no loss of performance at 100% HVO usage.
- Global renewable diesel capacity is projected to exceed 40 billion litres per year by 2030.

HVO delivers the consistency required for large-scale shipping and port operations.

IMO's View: LNG as Transition Fuels

The International Maritime Organisation continues to endorse LNG and LPG as viable transitional options. These fuels aid short-term compliance and improve air quality; however, they still rely on fossil-based supply chains. As global decarbonisation targets tighten, the industry is increasingly recognising that LNG and LPG cannot be long-term solutions.

The momentum is shifting toward renewable diesel, bio-methanol, SAF, ammonia and other synthetic fuels options capable of achieving deeper, faster decarbonisation.

Regulatory & Industry Data

- LNG-powered vessels now make up over 25% of newbuild orders.
- LPG dual-fuel engines are seeing annual growth rates of 15–20%, mostly in VLGC sectors.
- However, lifecycle studies show LNG cuts only ~20% GHG emissions, far below the 70–100% cuts needed for 2050 targets.

Moving Ahead Despite Regulatory Delays

The deferral of the IMO's Net-Zero Framework in late 2025 caused some concern.

Yet industry momentum has not slowed. Shipping lines, charterers and exporters are already integrating cleaner fuels into shipping logistics, operations, procurement and vessel designs.

Australia cannot afford to wait. The transition is already underway.

Biofuels: Scalable, Immediate and Australian-Backed

Bio-methanol and SAF are also advancing rapidly, strengthening the country's position in a broader low-carbon ecosystem.

Domestic Production Data

- Australia produces ~600,000 tonnes of tallow annually, one of the world's top exporters.
- National used cooking oil collections exceed 150 million litres per year.
- Bio-methanol demand is expected to grow tenfold by 2035, driven by container shipping. Australia's feedstock position gives it one of the strongest foundations in the region for renewable fuel scaling. Biofuels remain the most practical low-carbon solution available today. They integrate into existing fuel infrastructure and deliver immediate reductions. Australia has a natural advantage with:
- Abundant feedstocks such as tallow, used cooking oil and agricultural by-products
- An expanding national bioenergy sector
- Emerging technologies enabling decentralised fuel production

The Infrastructure Challenge

Decarbonisation will depend heavily on infrastructure readiness.

Australia must modernise:

- Blending and testing facilities
- Storage systems designed for new fuel types
- Carbon tracking and verification technologies
- Intermodal logistics linking ports, transport and storage

Every upgrade strengthens the reliability and resilience of the national supply chain.

Collaboration: The Key to Australia's Leadership

The transition will succeed only through cooperation across ports, fuel suppliers, vessel operators and regulators. Organisations like Bulk Liquids Industry Association (BLIA) and Shipping Australia Limited (SAL) play a crucial role in shaping shared standards, safety frameworks and investment priorities. Australia's size, geography and export profile make national coordination achievable and essential.

Australia's Opportunity to Lead the Region

With strong resource foundations and a strategic location, Australia is well positioned to become a producer of renewable marine fuels including regional biofuel and bio-methanol bunkering hub as a trusted supplier for Asia-Pacific decarbonisation efforts.

Australia can be a pioneer in circular-economy fuel pathways and carbon-tracking system. This is a realistic opportunity not a speculative ambition.

A Transition Already in Motion

Decarbonisation will be complex, but its direction is certain. The bulk liquids industry is at the forefront of this shift. We along with our member organisations are not only moving fuels, but we are also shaping the energy transition that will define Australia's maritime future.

The decisions made today will determine Australia's competitiveness in a clean-fuel global economy.

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Looking back over 2025

By ELEONORA MODDE,
FONASBA General Manager

The 2025 year saw continued increases in FONASBA membership, as both national associations and private-sector shipping companies sought to join a federation that is increasingly recognised for its professionalism, influence and global reach.

We are happy to report a +13% in our overall membership!

Our leadership has placed great emphasis on broadening engagement through the new Extended Leadership Network, introduced earlier this year. The leadership teams within this structure—representing Agency, Shipbroking, Education & Quality looked deep at key areas such as : best practice, regional development, digitalisation, and membership matters—have already begun contributing to a wider and more agile operational capacity. As FONASBA grows organically, its new and well-structured leadership ensures the federation remains responsive to members’ needs and capable of delivering greater value across regions.

Key Events and Outreach Activities

2025 has featured a full calendar of initiatives designed to inform, connect and support our worldwide membership. Highlights include:

ICS Hong Kong Summit

The International Chamber of Shipping invited the global shipping community to Hong Kong to discuss rapidly evolving geopolitical and trade-chain challenges. Among the invitees, FONASBA’s President, Fulvio Carlini, represented the perspective of Ship Agents and Ship Brokers during discussions on supply-chain resilience, trade facilitation, and

the maritime industry’s role in the volatile international landscape. The gathering also provided an important opportunity to meet with partners, members, and friends.

Strengthening Our Commitment to Maritime Integrity!

Singapore Outreach Mission 2025

The mission, conducted in October 2025 by Executive Vice President Botond Szalma and Deputy Regional VP for Asia Therry van Vreden, highlighted FONASBA’s growing visibility in Southeast Asia and opened multiple avenues for collaboration.

FONASBA was proudly represented at the Maritime Anti-Corruption Network (MACN) Members Meeting in Singapore, reinforcing our shared commitment to maritime integrity. Corruption remains a persistent challenge in shipping, affecting operational efficiency, raising costs, and creating unfair competition for ship agents and brokers worldwide. By engaging actively with MACN, FONASBA ensures its members have a voice in combating corrupt practices, as well as access to the guidance, tools, and networks needed to operate with integrity.

A key highlight of the MACN meeting was Therry van Vreden representing FONASBA on the Southeast Asia Working Group panel, alongside leaders from BIMCO, the Institute of Chartered Shipbrokers Singapore Branch, INTERTANKO, and INTERCARGO. This collaborative platform enables sharing of experiences, development of practical solutions, and the establishment of industry-wide standards that protect our members’ interests.

The Singapore visits also offered the opportunity to celebrate the 200th Anniversary of Ben Line Group, long standing supporters of FONASBA, and to strengthen relationships with several FONASBA partners.

During the visit, the delegation met with the Singapore Shipping Association (SSA)—including Vice President Lakhbir Singh, International Committee Vice Chair Akansha Batura Pai, and Executive Director Loh Chun How—who expressed interest in formal collaboration despite SSA’s structural limitations as a full member. SSA agreed to propose an MOU/partnership framework, following arrangements they have with other regional organisations.

The team also engaged with Pacific Radiance and Sinoda Shipping, reaffirming local member engagement and regional growth potential, as well as with the Institute of Chartered Shipbrokers (Singapore Branch) and the Asian Shipowners’ Association (ASA), where cooperation in information-sharing, cross-publication, event sponsorships, and structured partnerships was discussed.

High-level discussions with Kristian Vandermeert, Group CEO of Ben Line, and Mark Cameron of Ardmore Shipping further reinforced Singapore’s strategic importance for FONASBA to look at Singapore as the Asia region regional hub.

We are thrilled to announce that the 2026 Annual General meeting of FONASBA in 2026 will take place in Japan, Tokyo, Japan, starting from 11th October.

All the contacts in our network confirmed their interest and willingness to contribute keynote papers at the 2026 Annual Meeting in Tokyo.



The mission underscored FONASBA's commitment to strengthening its profile and influence in Asia while advancing the cause of integrity and best practice across the global maritime sector.

EMSWe Membership Webinar

FONASBA hosted a well-attended online seminar delivered in cooperation with EMSA and Magellan Circle, on developments surrounding the European Maritime Single Window environment (EMSWe). The session provided clarity on implementation timelines, technical requirements, and the operational impacts for ship agents and brokers—an area where FONASBA continues to advocate strongly for harmonisation and efficiency.

Annual Meeting in Istanbul

The FONASBA Annual Meeting, was held from 14–18 October 2025 and was one of the most memorable to date. Preparations intensified throughout the year, including a mid-year visit to Türkiye to meet with our hosts: the Turkish Chamber of Shipping, the Maritime Association of Shipowners and Agents and GBD Turkish Shipbrokers. Their efforts, combined with the enthusiasm of our membership, revealed a record-breaking turnout.

The programme was packed with plenary sessions on ship agency, ship broking, regional developments, education, digitalisation and quality, as well as a dedicated session for local industry issues. Istanbul—at the crossroads of global trade—provided an ideal setting for what was an insightful and productive gathering.

Supporting the Next Generation: 2025 Young Agent & Broker Award (YABA)

The Young Agent and Broker Award continues to exceed expectations. In 2025 we again doubled the number of submissions, with entries arriving from a wider range of countries and covering increasingly sophisticated themes—digital transformation, AI in shipping operations, sustainability, inclusion, and the operational challenges of emerging markets.

Generous sponsorship from our partners has strengthened the Award's profile and allowed us to expand the range of benefits offered to finalists. As a programme dedicated to nurturing the future leaders of maritime agency and broking, YABA has become a cornerstone of FONASBA's mission and identity.

Representing the Agency and Broking Community Worldwide

As ever, FONASBA remains active at the international level through participation in major forums, working groups and regulatory processes. Our representatives have contributed throughout the year to high-level discussions on port security, illicit cargo movements, digitalisation and compliance frameworks. Collaboration with partners such as ICS, BIMCO, WSC, WWSA, the Mission to Seafarers, and recognised experts across the sector continues to enhance the depth and relevance of our policy work.

Our Federation's growing recognition has also been reflected within the Secretariat, which expanded in 2025 with the addition of a new staff member working alongside the General Manager. This investment directly

supports our objective to deliver a more comprehensive range of services to our members, reflecting the increasing scale and importance of FONASBA within the industry.

Looking Ahead

As we approach the close of a productive and forward-looking year, FONASBA looks at 2026 with renewed confidence. Our Federation is growing—structurally, geographically, and in reputation. Our voice is being heard at the international level. And with strengthened leadership, expanding networks, and a global membership committed to excellence, FONASBA is well placed to continue shaping the future of ship agency and broking.

As always, this is only a summary of the many actions undertaken on behalf of our global community. We extend our sincere thanks to all our members who have travelled, advocated, organised, contributed and represented FONASBA throughout the year. We look forward to meeting many of you in Tokyo in October 2026 for our Annual General Meeting, and to continuing our shared work throughout the new year and beyond. ▲





Joe Hurley



Amber Fenton



James Stewart

Decarbonisation

Regulatory developments to the transition of alternative marine fuels

By JOE HURLEY (Partner), AMBER FENTON (Senior Associate) and JAMES STEWART (Solicitor) of HWLE Lawyers

In 2025, we have seen the globe dominated by “Trumpism”, geopolitical conflicts and tariffs. One concern that remains for (most) nations is climate change. Driven by global organisations such as the United Nations and the International Maritime Organization (IMO), there is a growing urgency to reduce greenhouse gas (GHG) emissions and achieve net-zero targets by around 2050.

As one of the main “culprits”, international shipping, remains front and centre in the net zero debate. A key driver behind the net-zero policies is the gradual phase-out of conventional marine fuels toward low or zero-emission alternatives such as biofuels, methanol, ammonia (blue and green) and green hydrogen (Alternative Marine Fuels).

This article provides a very high-level overview of the transition to Alternative Marine Fuels and how leading global players are addressing this challenge.

International Regulations

1. EU Emissions Trading System

Since January 2024, the EU has extended its EU Emissions Trading System (EU ETS System) (the EU’s carbon pricing mechanism) to cover CO₂ emissions from all large vessels of 5,000 gross tonnage and above entering EU ports, regardless of their flag.

The EU ETS System covers:

- 50% of emissions from voyages starting or ending outside of the EU (allowing the third country to decide on appropriate action for the remaining share of emissions); and
- 100% of emissions that occur between two EU ports and when vessels are within EU ports.

In practice, this means that shipowners are required to purchase and use EU ETS emission allowances for each tonne of reported CO₂ (or CO₂ equivalent) emissions.

2. FuelEU Maritime Regulation

On 1 January 2025, as part of the European Commission’s Fit for 55 legislative package, the FuelEU Maritime Regulation (FuelEU) was introduced. The FuelEU:

- applies to vessels greater than 5,000 gross tonnage using EU ports;
- sets limits on the GHG intensity of energy used on board;
- promotes the use of Alternative Marine Fuels; and
- introduces penalties for non-compliance based on GHG intensity gaps.

The primary goal of the FuelEU is to encourage a shift toward Alternative Marine Fuels without disrupting the

industry and causing significant price increases for consumers. One of the main methods it seeks to achieve this goal is through a pooling mechanism. Under the FuelEU, if a vessel exceeds the GHG intensity, the company (being the shipowner, the manager or bareboat charterer, who has assumed the responsibility for the operation of the vessel from the shipowner) has the option of pooling GHG surpluses between its fleet to ensure compliance with the targets under the FuelEU.

This is important as the pooling mechanism allows shipowners to gradually transition toward hybrid vessels powered by Alternative Marine Fuels in a cost-efficient way, without the need to rapidly phase out traditionally fuelled vessels.

IMO’s Net-Zero Framework

Finally, the IMO has prepared a draft Net-Zero Framework (Framework) which is a global regulatory plan to reduce GHG emissions in international shipping. It will create a legally binding framework on Member States to reduce GHG emissions from vessels globally.

The Framework will apply to vessels over 5,000 gross tonnage on international voyages. Key measures to the Framework include:

- to set a mandatory marine fuel standard and a global pricing mechanism for GHG emissions;

- vessels will be required to reduce their annual GHG fuel intensity over a 12-month period using a “well-to-wake” approach;
- vessels that exceed the gas fuel intensity threshold must purchase remedial units to offset excess emissions (up to \$380 per metric ton of CO₂-equivalent);
- those vessels using zero or near-zero GHG fuels/technologies will be eligible to earn credits and receive financial incentives; and
- the establishment of a Net-Zero Fund managed to the IMO used to receive, manage and disburse collected revenue from GHG pricing contribution.

The IMO’s Framework was approved earlier in April this year, and its formal adoption was expected in October 2025 (and to enter into force in 2027) but this has now been adjourned until October 2026, due in part to political opposition from certain Member States.

Australia’s Plans

Closer to home, the current Federal Government has committed to meeting the IMO targets and has legislated an economy-wide target of reaching net zero GHG emissions by 2050 (this

being consistent with the targets of the Paris Agreement of which 194 other states (plus the European Union) are signatories) through the Climate Change Act 2022 (Cth).

To deliver on that commitment, the Federal Government is developing frameworks to support maritime decarbonisation, including investment in clean fuel infrastructure and emissions reporting, which includes its Net Zero Plan (Plan).

The Plan incorporates a transport sectorial plan known as the Maritime Emissions Reduction National Action Plan (MERNAP), first proposed in May 2023. Developed with input from industry stakeholders, MERNAP will define the strategic direction and outline concrete actions to decarbonise our domestic maritime transport sector while contributing to global efforts to reduce shipping emissions. Key priorities include the development of infrastructure for Alternative Marine Fuels and promoting their widespread adoption.

MERNAP seeks to identify practical opportunities to future-proof Australia’s domestic maritime industry, allowing Australian companies to capitalise on opportunities of greener shipping and creating broader investment and innovation in the Australian market.

Although, at present, the flurry of progress in 2023 and 2024 has somewhat stalled. Despite calls from industry stakeholders for its immediate release, MERNAP remains in draft form and is yet to be finalised, being well overdue from its end of 2024 deadline.

Where does this leave us?

There has been a clear global shift toward reducing emissions for international shipping, yet such progress has faced persistent delays. Despite these setbacks, including the delay to the adoption of the IMO’s Framework, the stalled progress to MERNAP, the political uncertainty following the Opposition’s decision to scrap its net-zero commitments, we expect to see continued momentum. From port infrastructure upgrades to vessel retrofitting and more new builds capable of using Alternative Marine Fuels, we anticipate that Australia will continue to align its domestic policies with international standards and regulations.

Ultimately, a successful transition to Alternative Marine Fuels will require increased collaboration between industry and government, and the adoption of more targeted incentives for shipowners, operations and the industry as whole. ▲

AMS Group

Protecting lives, securing infrastructure

By GLEN MARSHALL

2025 has been a highly successful year for AMS Group. We supported operations at 90 locations across Australia and the Pacific, including essential services at 13 ports.

Here’s a quick overview of AMS Group’s critical services: vessel traffic services (VTS), navigation aids, surveillance systems, search and rescue logistics, commercial aviation life support equipment (e.g. escape slides and rafts), marine pilotage, advanced security for government and industry (including access control, CCTV, and emerging surveillance technology), and cyber resilience for marine assets.

We began the year with two key objectives:

1. Strengthening customer engagement and understanding their operations.
2. Introducing new technologies and innovative approaches.

As a result, we renewed all existing contracts, deepened relationships with our customers, and enhanced operational performance. Partnerships with new suppliers and technology providers have prepared AMS Group to explore new opportunities in the maritime industry.

Our collaboration with the shipping sector has intensified, focusing on providing innovative services and technology. We’ve launched initiatives to improve pilotage safety, digitise pilotage zones, and enhance VTS and ship-routing systems, in partnership with leading shipping organisations.

Looking ahead to 2026, AMS Group has teamed up with an Australian technology provider, applying aviation and Australian Space Agency research to improve shipping efficiency. This system uses satellites to track ocean currents and create ship-specific routes, cutting fuel consumption by up to 23% and ensuring ETAs within five minutes. Early trials with shipping companies in Australian waters delivered over 400% ROI.

In 2026, AMS Group will transition from maintaining legacy systems to helping partners become more resilient and ready for a digitised future.

We sincerely thank our customers and partners for their ongoing support and collaboration. ▲



Lady Justice. Shipping and trade lawyers continuously work to improve international commercial law over time. Photo credit: Tingey Injury Law Firm.

Convention for negotiable cargo documents likely to finalise

By STUART HETHERINGTON,
Consultant, Colin Biggers & Paisley.
Mr Hetherington is the Chair of the CMI

2025 is likely to see the finalisation, in Vienna from December 15-19 2025, of the work of the United Nations Commission on International Trade Law (UNCITRAL) on the Convention for Negotiable Cargo Documents (NCD).

At UNCITRAL's 52nd session in 2019 the Chinese government presented a proposal on possible future work "towards the development of a negotiable transport document to facilitate multimodal carriage of goods, particularly by railway in the Euro-Asian space" It was pointed out at the same

time that "unlike the ocean bill of lading the railway consignment note did not serve as a document of title and could not be used for the settlement of and financing of letters of credit." That proposal was accepted by UNCITRAL.

The Comité Maritime International (CMI) has monitored the progress of the work done over the last few years in Working Group VI of UNCITRAL to ensure that there was no inconsistency between the laws as they operate in relation to bills of lading and their negotiability and the proposed new Convention. Miriam

Goldby, a highly regarded expert in this area of maritime and commercial law and Professor at London University, has taken on the major burden of that work for CMI.

The NCD provides in Article 1.2 that: "This Convention does not affect the application of any international convention or national law relating to the regulation and control of transport operations."

Article 24.1 permits States, when ratifying the new Convention to express reservations in the following

circumstances: “A State may declare at the time of deposit of its instrument of ratification, acceptance, approval or accession or at any time thereafter, that it will not apply this Convention to any negotiable transport document that evidences or contains a contract for the carriage of goods wholly by sea governed by an international convention to which it is a State Party.”

It is the hope of UNCITRAL that the NCD will be treated as being complementary to all the liability regimes: Hague, Hague Visby, Hamburg (their hybrids) and Rotterdam Rules, relating to the carriage of goods by sea and there will not be any overlap. Similarly it is clearly the intention that the NCD will be complementary to any legislation based on the MLETR.

Many of the provisions of the NCD are modelled on equivalent provisions under the latest attempt to modernise the liability regime for the international carriage of goods by sea, the Rotterdam Rules (2008), which is much more than just a liability Convention, thus many of the definitions in the NCD have direct equivalence and use the same wording as are contained in the Rotterdam Rules and many of its principal provisions are also modelled on equivalent provisions in the Rotterdam Rules. It must be emphasised that the new Convention is neither a liability convention, nor is it a transport contract. Traders using a document which comes within the NCD will have to ensure that equivalent liability provisions apply to their legal relationship, which match the provisions contained in other Conventions (such as those dealing with carriage by road, rail and air) and are included in their contracts.

The NCD will have the potential, if widely accepted, to make significant changes to how international carriage of goods and trade, particularly by rail in the Euro-Asian space, not involving a sea leg, operates. The NCD does not deal with any aspect of the contract of carriage, (in particular not to liability issues). It merely provides for the negotiability of documents that come within the Convention.

Some suggestions which CMI made to the Working Group during the course of this year were not accepted by the delegates and as a result CMI has some concerns that the shipping industry, for example, will not support this Convention

and there could be conflicts of laws issues arising under the Convention and local laws relating to Bills of lading under the liability Conventions. Only time will tell whether these concerns will affect ratifications by States who rely on maritime trade. Once ratified the success of the NCD will be measured by the level of comfort respective trades will find in it, and thus trigger greater use in their trades and financial arrangements.

Reform in 2026?

Looking forward- 2026 will be an important year in relation to reform in the maritime legal world. Next July UNCITRAL will celebrate the 60th anniversary of its formation. It intends to hold meetings around the world to remind governments that there are numerous conventions which UNCITRAL has drafted which are not in force and require ratifications to bring them into force.

Historic reform

In the remainder of this article in the hope that we can learn from the past I would like to discuss some aspects of legal reform that I have witnessed over the last 50 years that I have been in practice in Australia in the maritime field and to pay homage to four people in government that I have encountered who have played key roles in developing or seeking to develop reform in the maritime industry as it affects Australia. I would then like to conclude by comparing their foresight and involvement with recent governments which have not appeared to appreciate the significance of the international carriage of goods that Australia depends on, and the need for reform.

I will start by referring to the annual seminars that the Attorney-General's department organised in Canberra in the 1970s and early 1980s which took place over a weekend for business leaders to hear from the department of the work that it had been engaged in over the previous 12 months and what might be expected in the following 12 months. These were extremely informative meetings attended by key players in business, the professions, academia and the judiciary. It is a great shame that similar meetings do not take place today. One of the principal topics discussed in one of the first meetings I attended in the late 1970s was the convention that was

being developed internationally which became known as the Hamburg Rules which were agreed in 1978.

Three of the people I want to mention in particular served as ministers of transport during the last 50 years that I have practised in the maritime legal world in Australia. They were the Honourable Peter Morris, the Honourable John Sharp and the Honourable Warren Truss. They each made (or sought to make), things happen in their portfolios which made or would have made a difference for all Australians. The first two attended and spoke at Conferences organised by the Maritime Law Association of Australia and New Zealand. They understood how reform of the maritime industry benefits the public at large. The fourth person I want to pay homage to was an employee of the Department of Transport, Danny Scorpecci, who appreciated that Australia, in having legislated for the Hamburg Rules Convention but not brought it into force, had gone too far in taking that step because it had not attained worldwide support, although it was clearly considered that reform of the Hague Rules liability regime was much needed (even in the 1970s). Danny Scorpecci brought together a committee of people representing each of the principal stakeholders concerned with the liability regime for the carriage of goods by sea and that committee proposed to the government a package of reforms to the Hague Rules regime which were then legislated by the federal government. Those reforms have stood the test of time but are now greatly in need of further reform.

By July 2026 there will be at least two recent maritime legal conventions that have been produced by UNCITRAL in the last 17 years which, in the opinion of this writer, Australia should ratify if it is has any interest in having relevant and up to date maritime legal regimes in place.

The Rotterdam Rules Convention

The first convention is the Rotterdam Rules Convention, to which reference has already been made earlier, and I have written extensively about for this journal (and others). It contains modest (but long overdue) reforms to the over 100 years old Hague Rules regime, which benefits Australians and in particular shippers and consignees who for over 100 years have suffered a regime which

was clearly weighted in favour of carriers, and thus not of benefit to Australian consumers. The Rotterdam Rules does not have the widespread support now that it had internationally when it was agreed in 2008. In my view that should not be a factor in the modern era when its benefits to Australians are weighted so much more in their favour than the current regime.

The Judicial Sales Convention

The second international convention which Australia should ratify is the Judicial Sales Convention. It, essentially, is a convention to recognise, formally, what was a widespread international expression of comity whereby recognition was given by States to orders made by courts in other countries for the sale of ships, for example, when they had been ordered by those courts in which an owner of a ship had been found liable to pay a debt to a claimant for damage which had been occasioned to it, for example, to its cargo, and the creditor had been paid from the proceeds of the sale of the ship. The debtor shipowner would forfeit the ship pursuant to such a sale and the new buyer would acquire the ship with a

clean title, thus no further claim could be made against that ship once it had been sold by the court. The comity which had existed for many years had been seen to be breaking down so this convention was agreed at UNCITRAL to remedy that problem and help preserve the market for the acquisition of ships from judicial sales which ultimately benefits ship financiers, such as mortgagees, ship owners who acquire such vessels and all other creditors of the defaulting ship owner, such as stevedores, employees, providers, ship repairers, bunker suppliers etc, who had debts owed to them at the time of the sale.

While Australia does not have too many judicial ship sales it is clearly a worthwhile convention for Australia to ratify, if only to protect Australians who buy second hand ships in other jurisdictions at judicial sales or cargo owners who may have cargo on board a foreign ship that has been acquired from such a sale.

I should disclose a personal interest in these two conventions, Rotterdam and Judicial Sales. Both had been subject to many years of discussion and debate within the CMI and CMI

had produced draft instruments which it had presented to UNCITRAL, so that after further detailed consideration and work by government representatives (including Australian) they might become international conventions. There is one other Convention which has been under consideration by Australia for many years which could also form part of a much needed package of reforms and that is the Wreck Removal Convention of 2007.

In conclusion, readers of this journal do not need to be told the importance of maritime trade to Australia. Unfortunately, it seems government does. There have been a few key individuals that I have referred to within government over the past 50 years who have made or tried to make significant contributions to the reform of the maritime industry. In recent years, no one has sought to replicate their example. I hope the 60th anniversary of UNCITRAL which will be celebrated from July 2026 will be a catalyst for someone in Canberra and the maritime industry to come together and at least ratify the Rotterdam Rules and the Judicial Sales Conventions, but also other maritime conventions such as the Wreck Removal Convention, in order to bring Australia into the 21st century and not languish as it has done in recent times. ▲





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Brilliant answers in the Taikoo Brilliance

By PETER MCQUEEN FCIarb,
Independent Arbitrator and Mediator - ArbDB Chambers London and Singapore

Are arrest/security proceedings sufficient to interrupt the one-year time bar in Article III Rule 6 of the Hague-Visby Rules?

What wording on a bill of lading is required for on-deck cargo to fall outside the definition of “Goods” under Article 1 (c) of the Hague-Visby Rules?

A recent decision of the English Commercial Court (Justice Robin Knowles) in “The Taikoo Brilliance” (Batavia Eximp & Contracting (S) Pte Ltd v Pedregal Maritime SA [2025] EWHC 1078 (Comm)) provides answers to both of these questions. It arose from two appeals from an arbitration decision regarding a bulk shipment of pine logs (Cargo) from New Zealand to India.

Facts

The Owners of “The “Taikoo Brilliance” (Vessel) as carrier issued 4 bills of lading, 2 of which referred to some of the Cargo being carried on deck. After discharge of the Cargo in India in September 2019, Cargo Interests alleged its mis-delivery and arrested a sister ship of the Vessel in Singapore in security proceedings which were commenced in August 2020. Those proceedings were stayed subsequently in favour of the arbitration clause in the bills of lading.

Arbitration proceedings were then commenced in December 2020, which was more than one year after the alleged mis-delivery of the Cargo. In those arbitration proceedings the arbitrator decided that the one year time bar in the Hague-Visby Rules (Rules) applied but only in respect of that part of the Cargo which was carried under-deck and not the Cargo carried on-deck. Therefore no time-bar applied in respect of the claim for mis-delivery of the on-deck Cargo.

The Cargo Interests appealed on points of law which raised the following two

questions for decision:

(a) Whether the arrest security proceedings in Singapore constituted “suit” for the purposes of Article III Rule 6 of the Rules, which states that “the carrier ... shall in any event be discharged from all liability whatsoever in respect of the goods unless suit is brought within one year of their delivery or of the date when they should have been delivered.”

(b) What wording is required on the bill of lading to engage the exception in the definition of “Goods” in Article 1 (c) of the Rules, namely “ ... which by the contract of carriage is stated as being carried on deck and is so carried ” ?

Decisions

The Court found in respect of question (a) that:

1. With reference to the decisions in *The Giant Ace* [2024] UKSC 38, *The Aries* [1977] 1 WLR 185 and *The Captain Gregos* [1990] 3 AllER 967, the purpose of Article 111 Rule 6 is to allow carriers to achieve finality and to enable accounts and books to be closed.
2. The Singaporean security proceedings were not within the ordinary meaning of the word “suit” in the context and in the light of the object and purpose of the Rules given that those proceedings related to security and did not decide the claim.
3. The word “suit” for the purposes of Article 111 Rule 6 means proceedings that can decide the claim, that is substantive proceedings as they stop time running and establish liability.

The Court found in respect of question (b) that:

4. The purpose of Article 1 (c) is to allow the holder of the bill of lading to identify whether goods carried on board a vessel fall within the application of the Rules or otherwise, namely within the exception.
5. That Article asks two factual questions: firstly, what cargo was carried on deck? secondly, was the statement on the bill of lading sufficient in the circumstances?
6. On the facts of the case the arbitrator was not wrong to conclude that the wording in the exception in the definition of “Goods” was satisfied.

Conclusion

These are important practical and commercial decisions given that they confirm that substantive proceedings are required in order to interrupt the one year time bar in the Rules and that best practice is to identify specifically on the bill of lading the cargo which is carried on deck, thereby providing certainty for both carrier and cargo interests as to the application or otherwise of the Rules to cargo being carried. ▲



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MLETR and the promise of paperless trade

By MICHELLE TAYLOR, Partner,
and ALEKO PALTOGLOU, of Sparke Helmore Lawyers

Trade documents are the quiet engines of international commerce. They are often overlooked, but when an issue arises related to the documents, the consequences ripple across the supply chain. Lost documents, courier delays, mismatched signatures and the occasional coffee stain can trigger a cascade of urgent emails, disputes and unexpected costs. Paper has served global trade well for centuries, but in an era where parcels can be tracked in real time and documents can be signed electronically from the couch, the continued dependence on paper trade documents seems increasingly out of place in modern logistics.

Modern supply chains are complex networks of carriers, forwarders, financiers, insurers and regulators. Alongside this complexity, it has been noted that paper-based systems generate three persistent problems:

1. Delay – Paper moves as fast as the courier carrying it. When cargo arrives before its documents, goods sit idle while storage and demurrage charges mount.
2. Administrative costs – preparing multiple copies, verifying manually, correcting transcription errors and archiving paper documents all add up quickly.
3. Fraud risk – forged or duplicated bills of lading remain a longstanding issue. Paper is easy to manipulate, and the consequences are real and recurring.

The logic of reform is therefore straightforward: if the problem is paper, then getting rid of paper is the solution (or at least reducing its centrality).

The Model Law on Electronic Transferable Records

Enter the global paperless trade movement. Across the world, governments and industry bodies are rolling out initiatives to digitise cross-border transactions, modernise logistics and cut the dead weight of outdated systems. Central to this effort is the Model Law on Electronic Transferable Records (MLETR) developed by the United Nations Commission on International Trade Law which gives electronic transferable records the same legal effect as their paper equivalents (See article 7 of the MLETR). Under MLETR, electronic transferable records include key trade documents such as bills of lading (“straight” bills of lading are excluded as they are non-negotiable), bills of exchange, promissory notes, consignment notes and warehouse receipts.

The proposal may not dominate headlines outside of the international trade space but it has been noted that MLETR has the potential to unlock significant economic and productivity benefits. Notably, economic modelling suggests that APEC economies could see GDP gains of up to USD 2 trillion between 2024 and 2033 by implementing MLETR-aligned paperless trade measures. Trade volumes, employment and real wages are forecast to increase alongside these gains (See: Giesecke, J & Waschik, R, Paperless Trade in APEC: Modelling the economic consequences of implementing the Model Law on Electronic Transferable Records).

Australia and the Paperless Trade Agenda

Australia is actively considering the implementation of MLETR. Between September and October 2024, the Attorney-General's Department conducted consultations on options for implementing the MLETR in Australia. During this consultation, stakeholders consistently emphasised:

- the need for Australia to unlock the benefits of paperless trade;
- the importance of a regulatory outcome aligned to MLETR; and
- concerns that any deviation from MLETR could hinder the benefits of paperless trade.

More recently, the Standing Council of Attorneys-General agreed to establish a working group of Commonwealth, state and territory officials to progress the implementation of MLETR by way of uniform amendments to the Commonwealth, state and territory electronic transactions acts.

Accordingly, with the Australian Government now actively considering the implementation of MLETR, Australia is at a critical juncture. The path forward now depends on the legislative drafting required to bring the model law into force in Australia. Getting this right will determine whether Australia can fully realise the promised benefits of paperless trade.

The Bill of Lading

At the heart of maritime trade is the bill of lading. A bill of lading serves three functions:

1. evidence the goods were shipped;
2. evidence of the contract of carriage; and
3. a document of title.

It is the third function (as a document of title) that makes bills of lading particularly complex to digitise. Possession of the original bill of lading conveys the right to demand delivery of the goods, and typically, only the holder of the original bill can exercise that right.

Because the carrier or master must deliver only against the original bill, possession is pivotal. If goods are released without the original document, the carrier or master is liable for misdelivery, regardless of the intended recipient.

Digitising this structure is not as simple as scanning a PDF. An electronic bill of lading must replicate this idea of singularity, ensuring only one person at a time holds the rights embodied in the document.

It is worth noting that Australia's current laws allow for electronic bills of lading, but the framework is limited and largely contractual. Under the Carriage of Goods by Sea Act 1991 (Cth) and the Sea-Carriage Documents Acts, electronic bills of lading are recognised primarily when parties agree to use a private, closed system. In practice, this means that bills of lading can only be issued, possessed and transferred between parties in the supply chain where contractually agreed to. While these arrangements can streamline transactions, they do not create a globally harmonised, open and interoperable framework. The MLETR reform does.

Decoding MLETR – The Concept of Exclusive Control

Notably, MLETR makes no attempt to make any changes to the substantive law. Its purpose is to facilitate an electronic form of traditionally paper-based documents and instruments, which is achieved through the concept of functional equivalence.

Functional equivalence is satisfied when an electronic transferable record meets the following criteria:

- a) electronic record contains the same information as would be contained in a paper transferable document or instrument; and

- b) a reliable method must be used to:
 - I. identify that electronic record as the electronic transferable record;
 - II. render that electronic record capable of being subject to exclusive control; and
 - III. retain the integrity of the electronic record.

Among these, exclusive control is the legal hinge of paperless trade. It replicates the concept of possession in the paper world, ensuring that only one party at a time can exercise the rights attached to the record. By preventing duplication, the concept of exclusive control allows electronic bills of lading to function exactly as their paper counterparts.

Crucially, MLETR does not prescribe how exclusive control must be achieved. It only requires that a “reliable method” be used, without mandating any specific technology. This approach enables jurisdictions to tailor their approach to the implementation of MLETR.

International Perspectives Singapore

Singapore has fully enacted MLETR through amendments to the Electronic Transactions Act 2010. This legislative change incorporates MLETR's core concept of “exclusive control” being the functional equivalent to the possession of paper documents. An example of a MLETR-compliant system is the TradeTrust framework (developed by Singapore's Infocomm Media Development Authority) which leverages blockchain technology to issue electronic bills of lading. The mechanism for ensuring exclusive control within TradeTrust is precise: only the legitimate holder of the electronic document (identified by a unique digital wallet address that exactly matches the corresponding on-chain record) can securely transfer and thus control the document.

United Kingdom

The UK in enacting the Electronic Trade Documents Act 2023 (ETDA) has taken a different approach to confirming the functional equivalence of paper and electronic trade documents. While the ETDA recognises that an electronic trade document is capable of being

possessed, it does not outline what constitutes possession of an electronic trade document. Instead, the ETDA relies on existing UK common law principles of possession, which require (1) factual control (the actual ability to exercise control over the document) and (2) intention (the intent to possess the document).

Notably, the UK's approach achieves the same outcome as MLETR: there is a single, authoritative holder of the electronic transferable record.

Australia's Path Forward

As Australia considers the implementation of MLETR, the next step lies in the legislative drafting process. Two principles should guide this process:

1. Maximum Alignment with MLETR – Australia should seek maximum alignment with MLETR given the core purpose of MLETR is to enable cross-border interoperability, and that purpose rests on minimising divergence from MLETR.
2. Uniformity – noting that it is currently proposed that MLETR be implemented by way of reforms to the Commonwealth, state and territory electronic transaction acts, any amendments to these laws to implement MLETR must be consistent across Australian jurisdictions. Fragmented implementation of MLETR would undermine the very efficiencies that electronic trade documents are designed to deliver.

Conclusion

The move toward paperless trade is not simply a technological upgrade. It is structural modernisation of global commerce, with the potential to streamline processes across the supply chain. MLETR offers Australia the opportunity to realise this potential but the benefits are not automatic and depend on the method by which Australia intends to implement MLETR. Alignment, not divergence, will determine whether Australia realises the promise of paperless trade. ▲



Australia's ports at the climate crossroads

JOHN THOMSON of the TT Club, has 20 years' experience working for the transport and logistics industry. He holds qualifications in maritime law and workplace health and safety and specialises in risk and legal liability matters.

Climate risk in Australia is shaping operations, supply chains, and national resilience in real time. The shipping industry sits at the intersection of two powerful forces - the global transition to a lowcarbon economy, and the local impacts of a warming climate already altering weather patterns across the region. For a trading nation dependent on sea freight, that convergence brings operational risk and strategic opportunity.

Australia's vast geography and export orientation mean that almost every element of prosperity relies on maritime trade. However, those sea routes, ports, and hinterland connections now face escalating climate impacts. Between 2022 and 2025, heavy rainfalls and extreme flooding devastated New South Wales and Queensland, causing infrastructure closures, significant reconstruction, and - permanently, in some cases - the relocation of residents from low-lying coastal communities. Freight disruptions to and from ports have been a direct result, highlighting the fragility even of well-developed Australian infrastructure to climate extremes.

Events like Cyclone Alfred and the close call with Cyclone Fina underscore how constrained Australia's operating margins have become in an era of concurrent climate, supply chain, and geopolitical stresses. These incidents expose not just immediate disruption, but systemic vulnerability in systems built for stability, not volatility. The economic consequences are material: over \$122 billion of economic activity is at risk annually due to extreme climate events, a figure that exceeds the GDP of some countries. If left unaddressed, cascading climate impacts could trigger trillions in global economic losses in the decades to 2060.

Risks to infrastructure and operations

Climate change is projected to amplify the

impacts of future coastal hazards for many of the world's 3,700 maritime ports, shaping both global and local supply chains. In Australia, operators who do not implement adaptation measures confront significant costs and disruptions. Major risks include infrastructure damage (from higher seas, flooding, and storm surges), operational disruption (forced closures during severe events, increased costs, supply delays), and workforce dangers such as dehydration and heat stress. Damage to goods, destroyed docks, and disrupted access routes to ports are all practical realities already experienced on Australia's east coast over recent years.

Ports need to take a targeted, risk-based approach - gather operational, climate, and hazard data and conduct tailored risk assessments to determine which assets and operations are most exposed to changing climate - particularly those open-air sections vulnerable to extreme heat and flooding. Risks are both acute (severe storms, floods, wildfires) and chronic (sea-level rise, changing precipitation, and temperature patterns).

Building Climate Resilience

A climate-resilient approach for ports involves a sequence of concrete, practical steps:

- Risk assessment: Comprehensive evaluation to identify vulnerable assets and prioritise interventions.
- Engineering strengthening: Reinforcing quay walls, installing flood defences, or elevating critical assets like control rooms to prevent water inundation.
- Nature-based infrastructure: Installing features like rain gardens and permeable pavements to manage stormwater and reduce flooding, which both improves water management and reduces contamination.

- Renewable energy: Investing in solar or wind power to reduce reliance on fossil fuels for port operations and supporting the electrification of port vehicles and equipment.
- Information technologies: Using IoT sensors and real-time climate data for monitoring, predictive maintenance, and rapid response to events.
- Workforce safety: Training staff for climate health risks, providing shaded rest areas and water during extreme high temperatures, and adjusting rosters or work environments as needed.
- Regular monitoring and plan reviews: Reviewing and updating climate risk profiles and adaptation plans annually or after significant events, utilising the latest climate science and operational feedback.
- Collaboration: Sharing knowledge, data, and best practice with other ports, logistics companies, government, and research institutions is considered essential for adaptive capacity and learning.

In addition, resilience must be embedded in core business risk strategies. By integrating climate risk alongside other strategic risks, Australian ports can ensure continuity, secure investment, and enhance reputation.

The competitive imperative

For policymakers, the evidence is clear - just-in-time supply models are ill-equipped for a just-in-case climate. Instead, resilience requires redundancy, diversified sourcing, and strategic national stockholdings. Implementing climate adaptation and mitigation is no longer optional compliance - it is a competitive imperative for Australia's reputation and reliability as a trading partner.

The federal government's National Climate Resilience and Adaptation Strategy highlights the need for such critical action in maritime and logistics sectors. The strategy provides a framework for enhancing the resilience of critical infrastructure, including ports, by outlining recommended actions for adaptation planning and implementation.

Australian ports and maritime operators are indeed at a crossroads - relying on luck and historical precedent is not tenable. Instead, sector-wide adoption of climate-ready principles - grounded in concrete data, infrastructure upgrades, cleaner energy, and proactive planning - will keep Australia's lifelines open in the face of extreme weather events. ▲



Shaping the future

Talent transformation in Australia's maritime sector

By OZAN CABADAG,
founder and managing director, GreenStream

Australia's maritime sector stands at a moment of forced clarity. Our path forward depends on talent. In a year marked by both disruption and opportunity, it's clear: the industry's future will be defined by our ability to attract, develop, and retain people with both traditional expertise and next-generation skills. The challenge ahead is no longer just moving goods efficiently—it's building a workforce ready for decarbonisation, digitalisation, and global competition.

2025 in Review: The Talent Landscape

A Shifting Skills Mix

2025 has dramatically accelerated workforce transformation. Digitalisation is no longer a project; it's the new normal. Automation in terminals, AI-powered logistics, and advanced cargo tracking now demand skills in data analysis, IT, cyber security, and digital operations. While traditional seafaring and operational know-how remain foundational, what those roles require is rapidly evolving.

The Decarbonisation Imperative

The global drive towards net zero—spurred by regulators and cargo owners—has fundamentally changed hiring priorities. Marine engineers, fuel-transition specialists, sustainability analysts, and ESG compliance experts are now among the most sought-after roles. Companies once competing solely for experienced operators now race to secure talent versed in alternative fuels, emissions accounting, and green port infrastructure.

Talent Shortages and the “Experience Crunch”

The urgency is real: nearly half the maritime workforce is aged 45 or older, and the

pool of seafarers with internationally recognised certifications has declined by up to 23% in recent years. The talent gap isn't theoretical; it's on our doorstep. In 2025, a GreenStream client struggled to fill a sustainability-focused port operations role—qualified candidates were rare, and several were lured away by the renewables sector before interviews even began.

Diversity, Equity & Inclusion Moves Forward

There's progress. Industry initiatives are boosting the participation of women, Indigenous Australians, and young people in maritime careers. Groups like WITSA (Women in Shipping & Transport Australia) provide mentoring, networking, and visible role models—helping drive cultural change and inspiring the next generation of leaders. New cadetships and scholarships with TAFEs and universities are diversifying the pipeline. Still, shipping lags behind other leading sectors, and momentum must not falter.

Outlook for 2026: Building the Workforce of Tomorrow

Navigating Uncertainty After the IMO Delay

A critical factor for 2026 is the International Maritime Organization's (IMO) decision to delay its Net Zero Framework by at least a year. This regulatory pause risks paralysing ambition. We must resist the urge to treat the delay as a breather—it's an accelerated planning period.

- Some employers may postpone hiring or upskilling for green maritime roles, and training programs tied to zero-emission shipping could lose momentum.
- Those who hesitate now may face a costly scramble later.
- Meanwhile, proactive regions like the EU may surge ahead, widening the skills gap.

The greatest risk is inaction. Proactive investment in people will set Australia ahead when new regulations inevitably arrive.

Skills for Decarbonisation and Digitalisation

2026 is the year for decisive workforce strategy. As alternative fuels and low-carbon technologies move from pilot to mainstream, companies must upskill teams and attract new talent—treating training as a competitive edge, not just compliance.

Roles set for fastest growth:

- Fleet Decarbonisation Managers
- Maritime Digital Transformation Leads
- Alternative Fuel Engineers
- ESG Reporting Analysts
- Port Automation & AI Specialists
- Sustainability and Circular Economy Advisors

Attracting Next-Gen Talent

Australian shipping must do more to “sell” itself as a tech-enabled, globally impactful sector for graduates and early-career professionals. This means refreshing employer brands, modernising culture, and providing clear pathways for progression. Industry leadership—especially through Shipping Australia Limited (SAL)—is crucial. We must partner with schools and universities to highlight maritime careers' value to national resilience.

Strategic Partnerships for Talent Pipelines

Now is the time for collaboration. Shipping companies, ports, educators, government, and specialist recruitment partners such as GreenStream must align. By mapping future skills, co-designing curricula, and sharing best practice, the industry can build a workforce ready for what's next.

Conclusion

Australia's maritime wake-up call is here: Our greatest asset isn't steel or fuel, but expertise. The time for bold action is now. Let's move past ambition and execute a talent strategy that powers Australian shipping into a new era—because the world won't wait, and neither should we. ▲



Future-proofing Australia's port capacity

The role of automation and terminal design

By VICTORIA INTERNATIONAL CONTAINER TERMINAL

Victoria continues to record steady growth in containerised trade, reinforcing its position as Australia's largest consumer market. This growth places sustained pressure on the Port of Melbourne—a port constrained by its urban footprint and limited opportunities for land expansion. For industry stakeholders, the central question is how Australia's ports can maintain competitiveness as vessel sizes increase, shipping networks consolidate, and reliability expectations tighten.

Melbourne is a mature gateway, and in such situations physical expansion is rarely feasible. Terminals must therefore achieve higher density and throughput through design optimisation

and advanced technology. This shift from land-based growth to operational efficiency is influencing investment decisions across the national port system.

A current example is Victoria International Container Terminal's (VICT) growth toward an annual handling capacity of over 1.5 million twenty-foot equivalent units. The project reflects a broader industry trend: capacity growth increasingly depends on automation as the underlying platform rather than conventional land or equipment expansion, and where technology becomes the foundation for streamlined throughput.

As a modern high-capacity terminal, VICT is designed around full automation and integrated shipside and landside automation to maximise container flow and reduce operational friction. Remote-operated ship-to-shore cranes, automated carriers, and automatic stacking cranes function within a coordinated system that limits manual intervention. This configuration supports high equipment utilisation and consistent performance across operating conditions. Another key feature is the decoupled yard system, where landside exchanges and shipside move occur independently. This structural separation helps prevent congestion during peak periods and supports a



VICT's terminal in Melbourne. Photo supplied by VICT.

more stable throughput profile, which is an operational characteristic increasingly valued by shipping lines. Terminal automation also reduces the interaction between staff and machines, hence enhancing safety at the highest level.

For carriers running tight rotations, predictability is often the determining factor when assessing port performance. Automated systems help reduce variability and support more accurate planning windows. On the landside, Optical Character Recognition gate technology accelerates truck processing and helps maintain competitive turnaround times—a significant contributor to avoiding secondary delays in landside logistics.

This focus on system reliability underpins current investment priorities. As VICT Chief Executive Officer Bruno Porchietto notes: “Future capacity cannot be built on infrastructure alone. It depends equally on the predictability, safety and reliability that enable supply chains to function with confidence. Recent scheduling decisions by carriers, including adding Melbourne to more

direct services, indicate a strong preference for terminals that can consistently align with strict cut-off, berthing and departure requirements.”

A modern terminal’s ability to attract and develop a diverse and skilled workforce is also increasingly important, particularly as automation alters job requirements and skill profiles. “The innovative nature of our Terminal requires a differentiated workforce skillset, as systems maintenance and servicing go hand in hand with the traditional stevedoring operations” adds Bruno Porchietto “This refers, amongst others, to our ship to shore crane operators, engineers and information technicians, who require credentials and training different from the traditional container terminals.”

Environmental performance is another emerging component of competitive capacity. Hybrid equipment, improved energy management systems, and automation-supported efficiency gains all contribute to reducing the carbon footprint of port operations—an area of growing scrutiny from carriers and regulators alike. “VICT has heavily

invested in several energy efficiency and environment protection solutions, conscious of the critical location of the terminal within a highly bio diversified area of the Port Phillip Bay” also notes Bruno Porchietto.

Terminals integrated into global networks, such as VICT within the ICTSI Group, benefit from shared systems, replicated best practices, and a faster adoption cycle for new technologies. These advantages help reduce commissioning risk and support operational resilience when trade dynamics shift or new services are deployed.

“Australia’s ability to maintain competitive container gateways will increasingly depend on the interplay between technology, reliability, industrial stability and environmental performance. Melbourne’s continued evolution highlights how these elements combine to support a resilient port system—and, ultimately, the national supply chains that rely on it” concludes Bruno Porchietto. ▲

Darwin Port excelled in 2025

By DARWIN PORT

From the visit of the Italian sail training ship Vespucci to the facilitation of multiple Defence visits, Darwin Port is one of the nation's most versatile multi-modal ports. Port teams have collaborated with stakeholders, regulators and Territory and Federal governments to achieve many successful milestones.

Darwin Port has been busy planning for future growth by undertaking several studies to better understand and cater for future trade demands.

It has led to the development of a Port Development Plan 2025-2030 and a new Port Master Plan, which collectively outline a long-term vision as well as the specific projects that are planned to get the organisation there. Pre-planning and assessment work has already started on several projects, which will increase capacity to handle and store bulk mineral exports.

Anchored in community

Darwin Port and parent company Landbridge are proud of the development and elevation of local community and industry partnerships, which have continued to grow over the past 10 years.

The long-term commitment and collaboration with the Clontarf and Stars foundations continues and jumping onboard with the Young Livestock Exporters Network this year helps generate valuable and meaningful pathways for young Territorians.

The port is excited to announce the launch of a three-year Prize Partnership with the NT Young Achievers Awards and the establishment of a new partnership recognising Exceptional Women in Resources. Casting a line of support out to the Darwin harbour community, Darwin Port continues to partner with the Darwin Sailing Club and Dinah Beach Cruising Yacht Club.

As a “distinguished” partner of Darwin Festival, the port celebrated another successful year of hosting the Darwin Port Bandstand, a much-loved stage for showcasing live and free local entertainment. It continues to grow in the partnership space with active involvement in a diverse range of industry and community clubs, associations, and campaigns.

Trade, property and development

Darwin Port continues to focus on growing shipping and commodity throughput in support of a rebounding NT economy. The 2025 financial year saw a 23 percent increase in the total trade through the port, driven by increases in the import of bulk liquids and dry bulk products, such as clinker and cement. There was also growth in container and building material throughput.

Export volumes continue to improve and significant increases in livestock exports to more than 440,000 head – an increase of over 160,000 head on the previous year and the highest since the record year of 2014-15 – were a key contributor to the increased volumes.

The port continues to export bulk minerals from mine sites across the Territory including iron ore, magnetite and ilmenite.

Darwin Port recorded 117 cruise ships visiting Darwin last year, which is the most in recorded history and resulted in more than 100,000 crew and passengers visiting the Top End. This outstanding result was evident in the ACA Economic Impact Assessment of Cruise Tourism in Australia 2024-25 findings where the Northern Territory was the only jurisdiction in the country to record an increase in cruise related activity.

Several projects were completed during the year, providing additional capacity to cater for the continued growth in trade volumes. About 10,000m² of new hardstand areas have been created in

the past 18 months, with work due to commence shortly on a further 20,000m². A new container handling area leased to Qube Ports has resulted in an increase of the port's container capacity by about 25 percent.

Pilotage

The number of piloted moves is a fundamental performance indicator of how well the NT economy is performing, and the trend remains positive. Darwin Port played a key role in supporting the construction of Santos' offshore Barossa project and the 700 pilotage movements relating to that activity contributed to what was a record year for Darwin Port pilots with more than 3300 moves. Trading vessel visits to the port were over 2,200 for the year which is the most since the Inpex construction project was in full swing in 2014.

Port of the Year 2025

In November Darwin Port was announced as the winner of the 'Port or Terminal of the Year' category at the annual Daily Cargo News 2025 Australian Shipping & Maritime Industry Awards.

In announcing the winner, the judges commended Darwin Port for the significant growth in trade that it had achieved year on year. They also mentioned the growth in the cruise sector which saw Darwin as the only jurisdiction in Australia to record an increase. Additionally, the support provided by the Darwin Port to Defence during major exercises and the many port calls was seen as significant.

Darwin Port CEO Peter Dummett, in accepting the award, said that this recognition was for the team which has worked very hard, producing great results, for a number of years. ▲



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Hutchison-branded container terminal assets at Brisbane.
Photo supplied by Hutchison Ports Australia.



Biggest quay cranes in Port Botany are on the way!

By JOHN WILLY,
Chief Executive Officer, Hutchison Ports Australia

In April 2026 Hutchison Ports Australia will take delivery of two Mega size quay cranes for its container terminal at Port Botany in NSW. A contract signed with the quay crane manufacturer, ZPMC, in the last quarter of 2024 will finally come to life next year with the introduction of the two biggest quay cranes ever to operate in the port joins the four existing ZPMC shuttle boom cranes in Sydney.

The new quay cranes will have a vertical spreader lift from the deck of the wharf of 47.5m and an outreach of 22 containers wide. This capability means the cranes can easily handle a container ship of 15,000 TEU capacity or vessels with a beam of 22 containers wide. This brings a new dimension to the port and will position Hutchison Ports and Port Botany to be able to handle the mega container ships of the future.

News of Hutchison Ports Australia's investment has been warmly welcomed by industry and especially from the main Shipping Lines looking to upsize their vessels in the Australia trade and need terminal operations equipped with such mega size quay cranes.



Pictured: the inner harbour at the Port of Townsville. Photo supplied by the Port of Townsville.

Port of Townsville stands ready to support industry

By PORT OF TOWNSVILLE

Since our founding in 1864, the Port of Townsville has delivered more than just port infrastructure and services, with operations and investments driving economic prosperity for Northern Queensland.

The Port connects the region's abundant resources and agricultural commodities with global markets and imports essential goods for our communities and industries. It strengthens national defence capability and welcomes the world to our doorstep through cruise tourism.

Today, we proudly lead the nation in exports of zinc, copper, lead, fertiliser, sugar and molasses. We are the largest container and automotive port in Northern Australia, servicing 80 per cent of its people with essential everyday goods.

With connections to 130 ports in 44 countries, we link the region to the world. More than 30 commodities pass through the Port, trading about 7 million tonnes worth \$12 billion each year.

Our greatest chapter is yet to come

North and North-West Queensland are on the cusp of transformational change, with growth in critical minerals, renewable energy and advanced manufacturing set to reshape our economy. The Port of Townsville is prepared to deliver and scale the infrastructure needed to unlock the region's full potential.

With approvals in place for a billion dollar plus Port Expansion Project (PEP), which will create six new berths, 150 hectares of prime landside infrastructure

and wider and deeper access channels, we stand prepared to enhance capacity, efficiency and resilience for decades to come.

The first stage of PEP, the \$251 million Channel Upgrade project widened the shipping channel from 98 metres to 180m at the inshore end, tapering to 120m offshore allowing vessels up to 300m in length to safely access the Port, instead of bypassing Townsville.

Project cargo

Port of Townsville is providing North Queensland with critical enabling infrastructure with the construction of a multi-million-dollar Project Cargo Laydown Area at its East Port Precinct.

The 14-hectare laydown facility will support future industry development and renewable energy projects across the region.

It will serve as temporary storage for wind turbine components, including blades of up to 100 metres long, and other project cargo imports.

Complementing the laydown area is significant transport network upgrades creating a road from the Port's main area out to the area now known as East Port, with the project expected to be completed in late 2025.

Containerisation growth

The Port of Townsville is Northern Australia's premier container gateway. With direct weekly services to China, Indonesia, Malaysia and more, it delivers fast, global reach from a strategic launch point with just 12 days sailing time to Asia.

The Port has plans to expand as containerised trade continues to surge, with TEU volumes projected to grow 80% on Australia's east coast by 2033.

Townsville Port has two container berths with 550m of quayline, priority access for container vessels and a Post Panamax Ship-to-Shore crane with lift rates of 40 TEU/hr. At the epicentre of Northern Australia's growth, we stand ready to meet the demands of the supply chain.

Increasing motor vehicle imports

The Port of Townsville is strategically situated as the motor vehicle import hub for Northern Australia with plans to grow the already 19,000 vehicles imported primarily from Japan and Thailand through the Port each year.

We have seen an uptick in motor vehicle transshipments driven by a shift in supply chains as car manufacturers begin to recognise the time and cost-saving benefits that can be unlocked by transshipping through Townsville.

Supported by major infrastructure upgrades that have doubled laydown capacity – and more on the way – Townsville is now an even more attractive alternative for car carriers.

Cruise tourism a welcome boost

The declaration of the widened shipping channel in December 2024 has opened a new era for tourism in Townsville, with large-class cruise ships able to access the Port for the first time.

In January 2025, we welcomed our first large-class cruise ship, Cunard's Queen Elizabeth.

These vessels can carry triple the number of passengers we'd ever welcomed to our Port on a single ship, with guests providing a welcome boost to the local economy.

Forward bookings from cruise lines remain strong and the Port is on track for a record cruise season in 25/26 with 25 ships arriving in Townsville bringing approximately 31,000 passengers and 14,000 crew to explore our region.

Port of Townsville stands ready to support the industries of tomorrow, to create jobs and to keep our communities connected to the world. ▲

Full steam ahead

How green technology is transforming seafarers' skills

By Dr. GHOLAM REZA EMAD, Head of C-Helm Research Centre (Centre For Research in Cognitive Human Element in Maritime Domain), University Of Tasmania-Australian Maritime College

The worldwide shipping sector is undergoing a profound transformation driven by the urgent need to reduce greenhouse gas emissions and comply with international decarbonization targets. Green shipping technologies, which are the major factor of this change, are the innovations that promise cleaner, and more efficient maritime operations. However, the implementation of these technologies will have a huge impact on the operational landscape onboard vessels and hence changing the role and skillset of the seafarers.

The Push for Green Shipping

The global shipping industry is responsible for about 3% of CO₂ emissions. If no change is made in the practices of the shipping industry, its share could go up to 15% by the year 2050. The International Maritime Organization (IMO) has already

taken action and set up a series of strict rules such as the introduction of the Energy Efficiency Design Index (EEDI), Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) among others. The response from the shipping industry is the adoption of new technologies as their main strategy for drastic reduction of emissions.

Technologies Driving Change

Currently, there are five major technological domains that significantly transforming the Vessel operations:

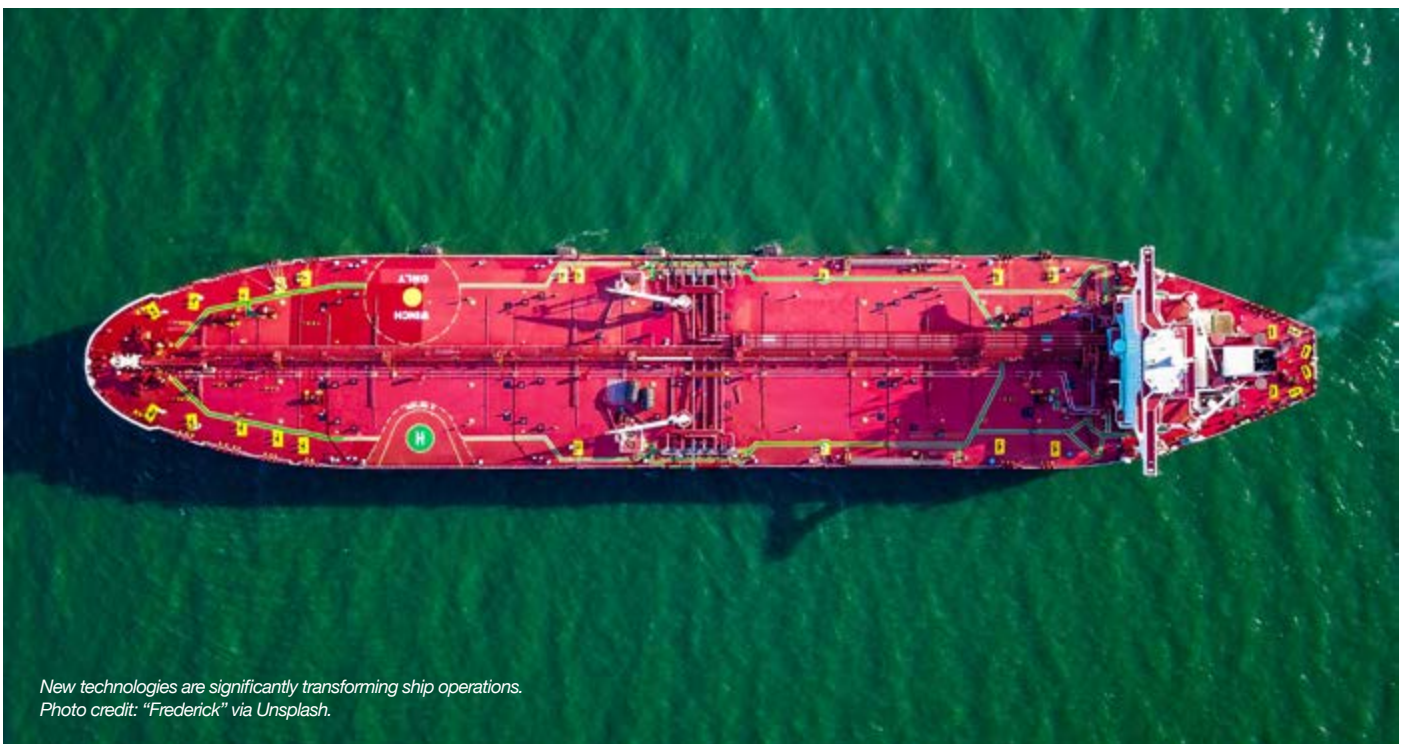
1. Efficient Ship Design

New technologies such as hull optimization, air lubrication systems, and the use of composite and lightweight materials are helping to cut down on the resistance and reduce fuel consumption. On the other hand, these changes

are also having an impact on the hydrodynamic behaviour thus requiring the seafarers to be capable of advanced ship-handling and at the same time ability to interpret real-time performance data through AI-driven monitoring systems.

2. Alternative Fuels and Emission Control

Moving from traditional fuels to LNG, methanol, ammonia, and hydrogen necessitates the introduction of new safety measures and operational complications. The crew onboard vessel need to develop competencies about the processes of cryogenic storage, leak detection, and chemical handling, besides operating the after-treatment systems like Selective Catalytic Reduction (SCR) and Carbon Capture and Storage (CCS).



New technologies are significantly transforming ship operations.
Photo credit: "Frederick" via Unsplash.

3. Propulsion Systems

Implementation of innovative technology such as wind-assisted propulsion systems require a new approach to maintenance, going from reactive troubleshooting to proactive, data-driven decision-making powered by AI and Digital Twin. Future seafarers have to possess the skills of predictive maintenance and the capability of adjusting hybrid propulsion settings for the optimal energy efficiency.

4. Power Systems

Hybrid Hybrid power grids, battery storage, and waste heat recovery systems will become a norm onboard all ships. Marine engineers are expected to oversee the overall flow of energy from different sources. For future ship engineers the competency in electrical engineering and high voltage, balancing loads, and AI-based diagnostics is a must-have.

5. Smart Ship Operations

AI-assisted route optimization, constant routing according to weather conditions and navigation systems that are somewhat autonomous are changing the maritime workers' tasks from manual control to supervisory oversight. Cybersecurity awareness and collaborative decision-making with shore-based teams are now critical components of daily operations.

Implications for Maritime Education and Training

The inclusion of these technologies represents a clear transition in the work of the seafarers—from the use of manual to digital operations and from individual decision-making to a collaborative data-supported strategy. This change emphasizes the pressing necessity for a future-oriented training framework. The traditional syllabuses must adapt to the changing times by adding the modules related to alternative fuels, hybrid propulsion systems, and digital navigation tools. The use of continuous professional development, simulation-based training, and interdisciplinary partnership will play a major role in preparing seafarers to face the challenges that lie ahead.

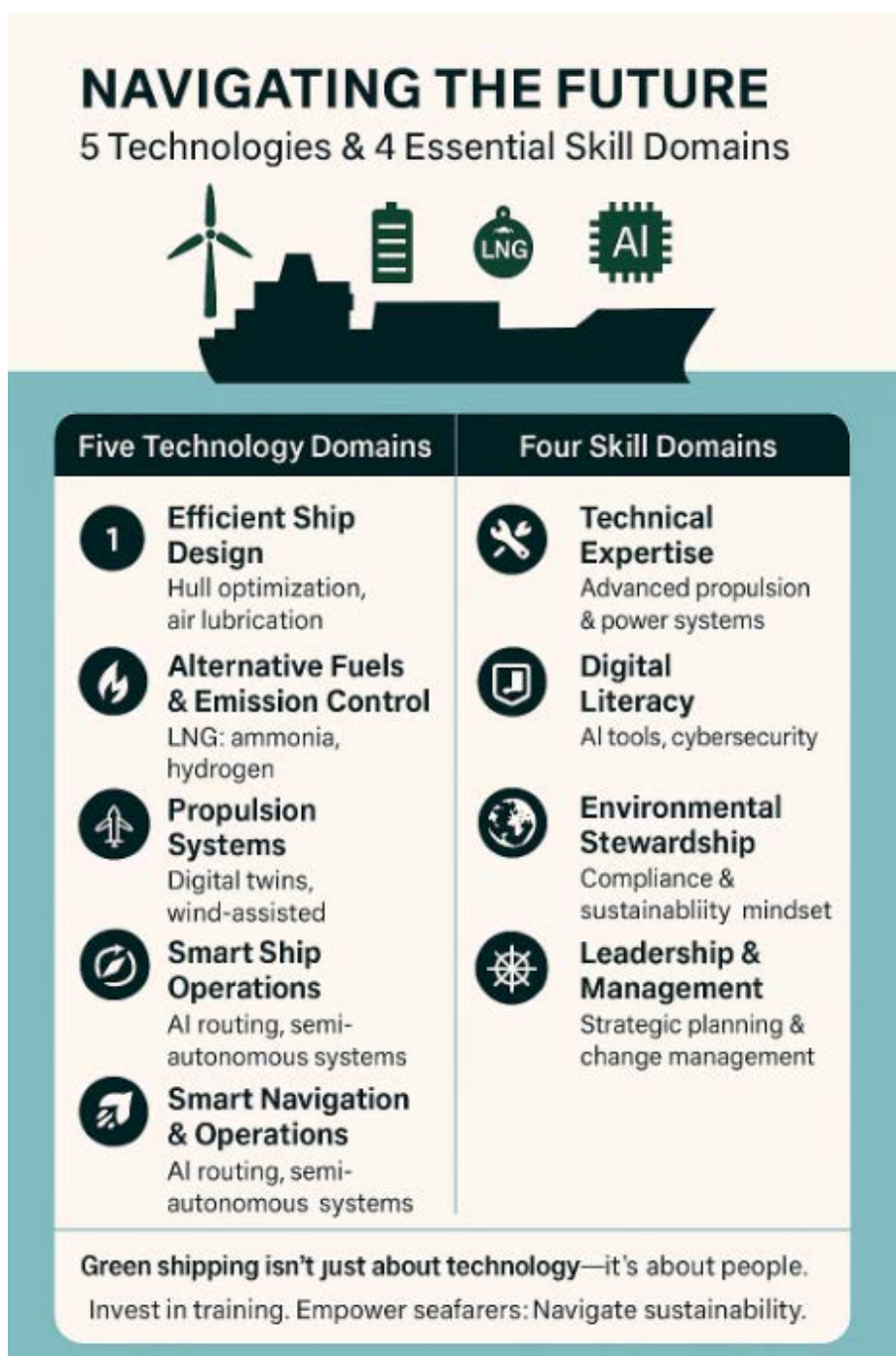
Furthermore, the government initiatives should ensure that the green competencies become a part of the international standards such as STCW, establish certification pathways for emerging technologies, and provide support to ease career transition. Investment in upskilling programs will not only ensure compliance but also enhance operational safety and efficiency.

Conclusion

Seafarers are the key players in the shipping industry's transition to more sustainable practices. With the implementation of smarter and more environmentally friendly vessels, the human element remains crucial. By equipping seafarers with the right blend of technical, digital, and leadership skills, the industry can navigate the

complexities of decarbonization while safeguarding operational excellence. The future of shipping is not just about cleaner technologies—it's about empowering the workforce that makes them work.

Acknowledgment: The earlier version of this article was presented at the IAMU 2025 conference titled "Green Shipping Technologies: Redefining Seafarers' Skills for a Sustainable Future". ▲



NAVIGATING THE FUTURE

5 Technologies & 4 Essential Skill Domains

Five Technology Domains		Four Skill Domains	
	Efficient Ship Design Hull optimization, air lubrication		Technical Expertise Advanced propulsion & power systems
	Alternative Fuels & Emission Control LNG: ammonia, hydrogen		Digital Literacy AI tools, cybersecurity
	Propulsion Systems Digital twins, wind-assisted		Environmental Stewardship Compliance & sustainability mindset
	Smart Ship Operations AI routing, semi-autonomous systems		Leadership & Management Strategic planning & change management
	Smart Navigation & Operations AI routing, semi-autonomous systems		

Green shipping isn't just about technology—it's about people.
Invest in training. Empower seafarers: Navigate sustainability.

Navigating gender equality in maritime Challenges and tech-driven opportunities

By Dr. GHOLAM REZA EMAD, Head of C-Helm Research Centre (Centre For Research in Cognitive Human Element in Maritime Domain), University Of Tasmania-Australian Maritime College

In the vast expanse of the global maritime industry, women remain a rare sight on the decks and bridges of ships. Representing less than 2% of the seafaring workforce, their underrepresentation highlights deep-rooted barriers in a field long dominated by men. Our recent international research, led by C-HELM research centre and funded by Nippon Foundation/IAMU, not only uncovers persistent challenges but also points to digitalization and automation as potential game-changers for inclusivity.

Historically, women's participation in the workforce has evolved from agrarian roles to industrial labour during the World Wars, yet maritime has lagged. The study traces the historical lack of participation of women in this field to societal norms, occupational segregation, and the demanding nature of seafaring—long voyages, physical demand, and isolation. BIMCO (2021) report shows women often occupy peripheral positions, with only 1.28% serving as seafarers globally. Officer ranks see even fewer, with less than 5% in command roles.

The research identifies key barriers through quantitative data and qualitative insights. A male-dominated culture tops the list, cited by respondents as the primary obstacle. About 80% reported gender-specific challenges, such as scepticism from colleagues, pressure to prove themselves, and stereotypes. Harassment and safety risks ranked second, with 40% experiencing or witnessing incidents at sea. Handling of harassment report by shipping companies was rated moderately well but participants emphasized the need for better reporting.

Work-family conflict reported to be a major issue, with over half noting the impact on career progression with long

sea trips clash with caregiving roles. Absence of mentorship and wage disparities further compound issues. Physical and psychological health concerns, linked to harassment and stress, were highlighted by some of the research participants.

Amid these hurdles, the study offers hope through Maritime 4.0 technologies. An overwhelming number of participants see digitalization and automation—such as Maritime Autonomous Surface Ships (MASS) and Remote Operating Centres (ROCs)—as enablers. These reduce physical demands, minimize harassment risks in remote setups, and improve work-life balance via shore-based roles. “Technology levels the playing field, especially automation, digital tools and smarter ships make skill matter more than strength,” one respondent shared. Enhanced connectivity supports family communication, online training, and networks, though challenges like the IT skills gap persist.

To bridge the gender gap, the paper recommends multifaceted interventions aligned with IMO's Women in Maritime Programme and UN SDG 5. Top suggestions include equal pay, improved education and training, flexible arrangements, cultural shifts, and anti-discrimination policies. Organizational support, like mentorship and anti-harassment training, is crucial—nearly two-thirds said it aids retention significantly. International bodies like IMO are seen as influential, with calls for visibility campaigns and role models. Advice to young women: “Be mentally and emotionally strong” (67%) and “Believe in yourself” (from a participant: “Maritime is not only for men; we, women, can do it too”).

The study's framework (see Figure 1 from the original paper) connects barriers

to tech solutions and policies: AI for monitoring diversity KPIs, e-learning for accessible training, secure apps for reporting, and HR technology for neutral recruitment. By addressing these, the industry can foster diversity, boost performance, and enhance sustainability.

In conclusion, while currently maritime gender disparities are deep-seated, digital advancements offer a lifeline. Stakeholders—companies, educators, and policymakers—must act decisively. As the researchers urge, continued empirical studies on gender-technology intersections will guide transformative practices. A more equitable maritime future isn't just possible; it's essential for the industry's resilience.

Acknowledgement

The above article is based on the research titled “Women in Maritime: Aiming for a Gender-Equitable Future Workforce” that was conducted during 2024-2025. It was funded by Nippon Foundation through International Association of Maritime Universities. Researchers from the University of Tasmania's Australian Maritime College, the World Maritime University, and the Maritime Academy of Asia and the Pacific performed the study. The data was collected from women in seafaring, shore-based roles, and other maritime sectors. ▲



Safety occurrences in Australian ports bear lessons for all

By ANGUS MITCHELL,
Chief Commissioner, Australian Transport Safety Bureau

It's not surprising that most of the marine occurrences the ATSB investigates take place while ships are arriving in or leaving port. This is a safety critical phase of any ship's operation: a large vessel being manoeuvred in a confined space, subject to weather and currents, and reliant on adequate coordination between VTS, harbour pilots, tugs, and the ship's crew.

Not only is the safety of the ship and those on board at stake, but any incident carries high potential for environmental and economic damage.

This was demonstrated to the world with the disastrous collision between the large container ship Dali and a major bridge while the ship was departing the Port of Baltimore in 2024.

In particular, that accident showed how much of a hazard a loss of electrical power can be to a ship operating in a confined space.

In Brisbane in March 2025, gas tanker Gaschem Homer was being moved off the BP Products berth when it was hit with a similar power outage. While being turned towards the port's entrance, the ship experienced an electrical blackout, resulting in the total loss of all propulsion and steering control.

Fortunately, the ship didn't have much momentum and the pilot was able to coordinate with an assisting tug to stay in the middle of the channel, until power was restored.

It was found two of the Gaschem Homer's three auxiliary diesel generators had been incorrectly left in manual mode for the departure, overloading the only available generator when the bow thruster was engaged.

The ATSB identified the ship operator's

safety management system had generic engine room operational procedures for its fleet, meaning Gaschem Homer's safety management system did not consider the specifics of its systems.

I'm happy to report the operator has taken safety actions as a result of this finding.

But for all operators, the incident should highlight the importance of ensuring all risks associated with shipboard operations and critical equipment are identified, assessed and effectively controlled.

A higher profile incident in an Australian port occurred in August 2024, when the container ship Maersk Shekou collided with the berthed Leeuwin II in the Port of Fremantle while it was being brought into the port during a heavy squall; an accident my team finished investigating with a final report released in November 2025.

That investigation reviewed audio from the Shekou's bridge, and found the primary pilot did not provide the helmsman with a planned port 10° helm order to turn into the inner harbour, which went undetected by the rest of the bridge team.

The investigation also identified the secondary pilot was distracted with a non-essential mobile phone call as the ship was transiting a critical area in the entrance channel.

In this case, the accident resulted in minor injuries to two personnel on board the Leeuwin and substantial damage to the iconic tall ship, as well as further damage to landside infrastructure, and minor damage to the Shekou.

An overarching contributing factor was that coordination and monitoring by the

crew and harbour pilots was lacking, and there was ineffective implementation of bridge resource management practices, another recurring safety issue in our marine investigations.

Specifically, this investigation found there was not a shared mental model of the actions needed during the passage across members of the bridge team, and they failed to adequately monitor, or challenge, the ship's turn and position in the channel.

As this and other past investigations have highlighted, a properly functioning bridge team requires that all its members maintain a shared mental model to actively monitor a ship's progress.

This relies on relevant information being conveyed to all members of the team, and actions that are incorrect being identified, communicated and rectified immediately.

The Shekou investigation also identified several risk controls established by the port authority to ensure the safe entry of large container vessels had not been adequately implemented, although these did not all directly contribute to the collision.

I am once again pleased to report that both the port authority and the local marine pilots have committed to implement a range of safety actions in response to the investigation.

But for the ATSB to achieve its vision of transport without accidents, it requires more than just the parties involved in these accidents to take action as a result of them. It requires every port operator, pilotage provider and ship manager, and indeed the individuals working for those entities, to heed the lessons learned, and apply the relevant safety actions as a result. ▲



AMSA

Navigating change and shaping the future of maritime regulation

By KAYLENE DALE,
Chief Executive Officer, AMSA

Like all of us, the Australian Maritime Safety Authority (AMSA) operates in an ever-evolving global maritime landscape. We are dedicated to forging strong partnerships that enable us to maintain a modern regulatory approach, ensuring we are prepared for future challenges. Our unwavering commitment to placing stakeholders—especially our regulated community—at the centre of everything we do has never been stronger.

During my first year as CEO, I have prioritised listening and learning, immersing myself in the business, our staff, and the broader industry we serve. The insights gained from engaging with port authorities, shipping operators, attending industry conferences and stakeholder meetings, and participating

in shipping inspections have been invaluable. These perspectives will inform AMSA's approach to service delivery, and priority setting to better meet customer needs and stakeholder expectations.

We remain committed to fostering a collaborative and accountable organisation, one that values innovation, respect, and inclusivity. By working in partnership with industry, we can collectively address the complexities of a rapidly changing maritime environment. This collaborative spirit drives us to deliver outcomes that improve safety and compliance, boost productivity, reduce administrative burdens, and enhance workforce capability across the sector.

AMSA's contemporary regulatory approach is complemented by our commitment to modernising services. We are focussed on practical innovation that delivers tangible benefits to stakeholders, making prudent investments that allow us to evolve and meet emerging needs. This dedication was nationally recognised when AMSA received the 2025 Australian Business Awards 100 for Digital CX Management and Business Transformation for the myAMSA portal. The launch of our first digital offering marks a significant milestone in modernising services for the maritime industry.

myAMSA simplifies the certification process, enabling seafarers to submit applications faster, more easily, and more accessibly—anytime, anywhere—facilitating earlier entry into the workforce. Currently available to near coastal seafarers, work is underway to expand the portal to serve Australia's international seafaring community, extending the benefits of a streamlined, efficient application experience. We will continue to collaborate closely with industry throughout development, maintaining a customer-centric focus to ensure the portal meets user expectations and delivers genuine value to the shipping sector.

AMSA is sharpening its regulatory focus while continuing essential programs under the National Compliance Plan, including flag state and port state control inspections, seafarer certification services, and incident response. We are also proactively managing emerging risks such as alternative fuel spills and lithium-ion battery fires on ships, ensuring our frameworks remain robust and fit for purpose.



Kaylene Dale, AMSA CEO, with Mehrangiz Shahbakhsh of Shipping Australia.
Photo credit: Shipping Australia.

Our compliance plan supports more intelligent, targeted interventions, and in port state control inspections we have shifted efforts towards high-risk and repeat offenders. By leveraging data and insights, we improve safety outcomes and reduce inspection time—already resulting in higher compliance rates among identified high-risk operators and minimising disruption to compliant operators.

Importantly, while compliance strengthens safety and efficiency, seafarer welfare remains a core element of AMSA's mission. We reaffirm our dedication to supporting the wellbeing and safety of seafarers through regulatory enforcement—such as vessel inspections for safety and fair wages—international advocacy, and collaborative initiatives like the Australian Seafarer's Welfare Council (ASWC). This commitment ensures that innovation and regulation always serve the people at the heart of the maritime industry.

Building on this foundation, AMSA, alongside the Department of Infrastructure, Transport, Regional

Development, Communications, Sport and the Arts, plays a leadership role internationally, particularly through our engagement at the International Maritime Organization (IMO). We proudly support Australia's initiatives to drive globally consistent standards that enhance safety, seafarer welfare, and environmental outcomes such as advancing Australia's transition to net zero and decarbonisation across the maritime sector.

This year, AMSA strengthened regional partnerships by supporting the IMO's launch of its Pacific Regional Presence Office in Fiji and welcoming IMO Secretary-General Arsenio Dominguez during his regional tour. His visit provided an opportunity to showcase Australia's maritime sector, deepen collaboration across the Pacific, and engage directly with industry through dedicated roundtables. These interactions reinforced our commitment to listening to stakeholders, fostering shared priorities, and building resilience and interoperability in the region.

Australia's re-election to the IMO

Council (Category B) for the 2026–27 biennium reflects our commitment to shaping international standards. This achievement highlights our focus on innovation, sustainability, good governance, transparency, and workforce diversity across the maritime sector. For industry, our Council position offers Australian operators the opportunity to benefit from globally consistent rules that reduce compliance complexity, provide early insight into upcoming regulatory changes, and advocate for practical solutions on issues like decarbonisation and alternative fuels.

Our commitment to listening and learning continues as we work closely with industry and government. By prioritising our regulated community—through consultation, practical innovation, and partnerships both domestically and internationally—we are actively shaping a maritime sector that is safer, more sustainable, and ready for the future. We will uphold our values, continue to build capability, foster diversity, and create lasting change for the people who sustain our maritime world. ▲

Sea Heritage Foundation announces platinum partnership with Sierra Fleet Services and Federation Academy

By Dr CJ MANJARRES-WAHLBERG, Chairman, Sea Heritage Foundation

The Sea Heritage Foundation is proud to announce a new platinum partnership with Sierra Fleet Services and partners establishing a dedicated maritime training academy to meet the foundations objectives.

This partnership will enable the expansion of the Foundation's Indigenous maritime training programs through the establishment of a dedicated training academy and the enhancement of its broader maritime education services. It also reinforces the Foundation's long-term vision to become a leader in human-centred, industry best-practice maritime training.

Foundation Chairman, Dr CJ Manjarres-Wahlberg, said the partnership represents an important step forward in strengthening the organisation's capacity and reach.

"This collaboration not only enhances our training capability but also supports the Foundation's growing involvement in critical maritime research. We are excited about the opportunities this partnership creates for our trainees, our communities, and the wider maritime sector."

Sierra Fleet Services, a well-established provider of maritime solutions across Australia and Papua New Guinea for

several decades, expressed strong support for the initiative. Fleet Master and CEO Captain Harold Van Haltron said he looks forward to the impact the partnership will deliver.

"We are proud to support the Sea Heritage Foundation and contribute to meaningful, lasting change within the maritime industry. Together, we can help shape a safer, more skilled workforce for the future."

The partnership underscores a shared commitment to advancing maritime capability, fostering innovation, and strengthening pathways for Indigenous participation in the maritime domain. ▲



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Border Watch

The eyes and ears of the waterfront

By the AUSTRALIAN BORDER FORCE



Australian Border Force officers work around the clock to keep Australia safe. Photo supplied: Australian Border Force.

Every day, Australia's maritime supply chains enable our prosperity, moving goods that power our economy and support our way of life. But these vast and complex networks are also targeted by organised crime groups seeking to exploit legitimate trade and logistics channels to move drugs, weapons, illicit tobacco and other commodities that may cause harm to the Australian community.

Border Watch provides a safe mechanism for Industry members and the broader community to report suspicious or illegal immigration, visa, customs, trade or maritime activity. By leveraging commercial insight and embedded presence in the supply chain, industry becomes a critical partner in protecting border integrity.

"Australia's border security is challenged every day. Whether it's by people arriving without the proper visa or trying to bring in prohibited goods, Australian Border Force officers work around the clock to keep Australia safe," said the Hon Tony Burke MP, in "A decade of service: celebrating 30 years of the ABF".

The critical role of disrupting crime

Because the ABF cannot examine every shipment, every vessel, or every movement of goods or people, the role of Industry becomes pivotal. One small observation can stop a much larger crime in its tracks. Border Watch is designed to make that possible.

The reporting webform allows for anonymous or confidential disclosure. Examples of suspicious or illegal customs or trade activity include vessels or aircraft behaving unusually, sea-cargo tampering, mail or air parcels concealing undeclared goods or currency, concealed prohibited items in traveller movements and corruption of supply chain actors. All of these scenarios impact national supply chain integrity, border enforcement and the Australian economy.

Industry: A critical partner in protection

Australia's border spans more than 36,000 kilometres of coastline and thousands of

logistics touchpoints. This is where Industry - stevedores, terminal operators, container parks, warehousing, freight-forwarders, brokers and truck drivers - becomes a force multiplier.

Your staff know what normal looks like in your operational environment. When something feels or looks off, you might be witnessing the early stages of a criminal activity. Reporting that anomaly helps the ABF identify emerging patterns, deploy resources appropriately, disrupt crime and protect the Australian community.

Spotting suspicious behaviour: - what to look for

Reporting through Border Watch doesn't require you to investigate, it requires you to observe. Key indicators include:

- Unexpected visitors or drivers in secure or high-risk zones
- Drivers collecting or delivering freight at unscheduled times or with incomplete paperwork
- Individuals showing unusual interest in container movements, airway bills or restricted zones
- Minor seal or container damage, mismatched documentation or goods that don't align with declared descriptions
- Vehicles loitering near high-value cargo or transport corridors
- Sudden changes to delivery instructions, door-to-door shipments bypassing standard import thresholds.

The reporting of even one of these indicators can help unravel a much broader threat.

From insight to detection

Every credible report received by Border Watch is assessed, analysed alongside intelligence holdings and risk frameworks, and then referred for ABF action. These insights drive persistent positive detections of illicit or restricted goods, duty-revenue

evasions and broader supply-chain corruption.

"We are seizing record levels of illicit tobacco at our borders ... Our goal is simple, to break the business model that makes illicit tobacco profitable. We will make the current operating environment hostile for anyone trading in illicit tobacco," said Commissioner Gavan Reynolds AO, Australian Border Force, when the ABF launches the National Disruption Group to break the business model of the illicit tobacco trade.

Industry has reported suspicious patterns such as vague goods descriptions, unusual document sources, split consignments to evade the \$1,000 import-declaration threshold and door-to-door duty-paid shipments with pro-forma invoices. Such intelligence enabled large seizures of illicit tobacco and vapes. In the COVID-19 period, early industry reports supported ABF interception of Chinese-exported personal-protective-equipment evasion attempts. These examples illustrate how industry reporting helps identify criminal business models, stop revenue erosions and maintain supply chain integrity.

Safe, confidential and designed for industry

Border Watch handles all information in accordance with the Privacy Act 1988 (Cth), the Australian Privacy Principles, and strict Information Protection policies.

When making a report, you can remain anonymous - no identifying details are required. You can report confidentially - your identity is protected under ABF controls.

Your input strengthens Australia's supply chain defences and helps us to continue to protect the Australian community. ▲

Criminal currents in Australia's shipping industry

By HEATHER COOK,
CEO, Australian Criminal Intelligence Commission

Serious and organised crime is a borderless, decentralised and a digitally-enabled global threat. It causes significant harm to Australia's national interests – damaging our economy and global reputation, threatening supply chains and border integrity, and impacting the safety of our communities and citizens.

The cost of serious and organised crime was estimated to be \$82.3 billion in 2023–24. Beyond the staggering economic impacts of organised crime, the broader harm caused is corrosive and vast – we all pay the price regardless of who we are.

Threats impacting the shipping industry

The shipping industry is not immune to the threat of serious and organised crime. Criminals are collaborative, aware of exploitable weakness and vulnerabilities, and increasingly embedded within legitimate systems. Criminal networks are adept at exploiting interconnected maritime trade practices by leveraging cargo streams to move their illicit commodities.

Criminals circumvent industry processes to import illicit goods into Australian seaports. Serious and organised crime networks will continue seeking to import illicit drugs into Australia due to heightened global production, high domestic consumption and strong profit margins. The same smuggling practices can be used to move other illicit commodities in and out of Australia such as weapons, tobacco and natural resources. Trafficking of these illicit goods puts Australia's security, prosperity and the welfare of our communities at great risk.

Organised crime risks the safety and reputation of the shipping industry. Criminal activity in the maritime domain

can have tangible and significant impact on productivity, profits and for staff welfare. Illicit activities which subvert risk mitigations and controls may also result in civil and criminal liability, regulatory penalties and personal liability for directors. When criminal infiltration occurs, it can cause reputational damage, including loss of trust with regulators, clients, partners and investors. It impacts profits through vessel delays, operational disruption, supply chain re-routing, legal penalties, increased insurance premiums and cargo losses.

Corrupted or vulnerable employees can open the door to criminal activity. These 'trusted insiders' working within the supply chains and our ports share information with serious and organised criminal networks, actively colluding to exploit security vulnerabilities and weaknesses. For example, in September 2025, a joint task force investigation into employees working inside Sydney ports led to the seizure of approximately 500 kg of cocaine, with an estimated street value of more than \$164 million.

Stronger together: securing our ports

The Australian Government has established processes to protect Australian seaports from criminal infiltration. Australia's Maritime Security Identification Card (MSIC) scheme seeks to strengthen the integrity of our borders by managing access to sensitive areas within Australia's seaports. Exploitation of the MSIC scheme represents a critical vulnerability to the maritime environment and supply chain integrity. The ACIC plays an active role in the MSIC security framework, undertaking criminal intelligence assessments on MSIC applicants to assess their potential engagement in, and connections with, serious and organised crime. The aim of the assessment process is to stop

the criminal infiltration and exploitation of the maritime industry. The potential corruption of workers after they have obtained an MSIC remains an ongoing risk, and one that needs to be actively managed and stopped, in partnership with relevant government authorities.

Everyone in the maritime industry has a responsibility to harden the sector against crime. We all must proactively identify threats and vulnerabilities, share information and build relationships to protect the industry against criminal infiltration. Sharing information will help grow our understanding of when, where and how criminals are exploiting the industry. Proactive reporting of negligent non-compliance to the Australian Border Force via BorderWatch will assist in the hardening of the sector against crime and increase industry productivity and economic prosperity.

To minimise risks, organisations and staff should regularly monitor, review and/or report:

- unauthorised or unusual access to data, information, systems and restricted areas
- unexpected items within consignments
- unexplained security events or poor adherence to security procedures
- unauthorised or suspicious individuals in controlled areas
- changes in behaviour, lifestyle or financial status.

Working together to identify and disrupt crime in the shipping industry has never been more important. Effectively tackling criminal threats in Australia's shipping environment is impossible without engagement with industry partners. Here at the ACIC, we are committed to working closely with our partners, including the Australian Border Force, and to enhancing our engagement with industry, to share our understanding of the threat environment and to support the disruption of criminal threats to Australia. Together, we can protect the shipping industry and its workers, our economy, and the Australian community.

You can learn more about the ACIC, and get in touch, via our website www.acic.gov.au, or email us at outreach@acic.gov.au ▲

Managing geopolitical risk

Sanctions

By GAVIN VALLELY, Partner, HFW

For entities involved in international trade, managing sanctions exposure has become increasingly complex since the outbreak of war in Ukraine in February 2022. Since that time, numerous jurisdictions, including Australia, have expanded the breadth and depth of their sanctions regimes against vessels, companies and individuals. As a result, we are increasingly seeing sanctions disrupt international trade with often significant cost implications for the affected parties.

Australia's sanctions regime is administered by the Department of Foreign Affairs and Trade (DFAT) and imposes sanctions through the enforcement of 'autonomous' and 'United Nations' sanctions regimes against certain countries, groups, individuals and entities established under key legislative instruments. Australia implements:

- Australian Autonomous Sanctions imposed and implemented by the Australian Government as a matter of foreign policy; and
- United Nations Security Council (UNSC) Sanctions imposed by the UNSC, and Australia is obligated to implement as matter of international law.

Regulation 14 of the Autonomous Sanctions Regulations 2011 prohibits any making an asset available, directly or indirectly, to or for the benefit of a designated person or entity, unless authorised by a permit granted by the Minister. However, it is the question of what exactly will constitute "indirect" supply that is causing many Australian entities and individuals consternation. Recently, the Federal Court of Australia in *Alumina and Bauxite Co Ltd v Queensland Alumina Ltd* concluded that, for the purposes of Regulation 14: "indirectly" includes "doing so through

interposed corporate entities, and where the benefit is either the object, effect or likely effect of making the asset available", and where the sanctioned party is only a minority shareholder of the receiving entity.

Other than this recent decision, participants in the international trade sector have little practical guidance as to the outer limits of the phrase "indirectly".

Moreover, the "indirect" test is very different from that applicable under various other sanctions regimes, which typically look at whether a counterparty is subject to "ownership" and/or "control" by a sanctioned entity.

The consequences of this for Australian companies can be far-reaching. For example, Australian entities may unwittingly find themselves involved in a sanctions breach, despite purchasing goods from a non-sanctioned buyer in a non-sanctioned country, if it subsequently emerges that a sanctioned entity has been involved (even as a minority shareholder) in the supply chain of the goods, or where the goods are transported via a sanctioned entity.

Moreover, with an expanding sanctions regime, Australian expatriates employed by a foreign company must be aware of becoming personally involved in a breach of Australian sanctions where their employer is involved in trade that would – if the company had an Australian nexus – infringe Australian sanctions. Again, there is currently little publicly available guidance available for individuals who find themselves in such a position.

In the meantime, what is clear is that Australian entities involved in international trade should consider: (i) establishing a risk-based sanctions protocol; and (ii) future-proofing their contracts to allow them to require

detailed supply-chain disclosure from their counterparts and – where necessary – suspend or cancel performance where to proceed would involve exposure to regulatory risk.

Managing cross border enforcement risk: Jurisdiction

When contracting with a foreign counterparty or one whose assets are based outside of Australia, assessing enforcement risk at the time of contractual negotiations is critical. Decisions made at the outset have the potential to affect the chances of successful recovery in the event of a later dispute. This is often overlooked.

The key legal considerations will be different depending on where the counterparty is based. Here, we take China as an example as it is a common trading partner for many of our clients.

As part of the contractual negotiations, a decision needs to be made about jurisdiction – the forum or place where the parties wish any future disputes between them to be resolved. For an Australian company trading to or from China, generally speaking the parties will be free to elect where they prefer their disputes to be resolved. This could be the Australian Courts, the Chinese Courts, through international arbitration, or the Courts or tribunals of some other place.

With counterparty enforcement risk ultimately in mind, international arbitration may offer the best choice when balancing the competing considerations. The Australian Courts offer a familiar system and strong procedural protections, however, in a scenario where the counterparty is based overseas, recovery becomes a two stage process. The dispute would first be litigated in Australia, and then the

Australian Court judgment would need to be enforced through the local Courts in the place where the counterparty's assets are located. This adds time, complexity, cost, and uncertainty into the legal process. The alternative is to proceed directly to the local Courts overseas. This may seem a more direct route, however, it can be unfamiliar for foreign parties.

In our experience, international arbitration is more commonly chosen for cross-border and international trade contracts. The key advantage of international arbitration is that arbitration awards are widely enforceable under the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. The Convention provides a framework for enforcement through local Court procedures of contracting States. There is a pro-enforcement presumption, unless one of a few narrow exceptions can be established. With 172 States adhering to the Convention, it provides a robust and well tested path to maximise recovery prospects in international trade disputes.

Across the Asia Pacific region, we frequently see the Hong Kong Special Administrative Region (SAR) and Singapore being chosen as the venue for international arbitration in maritime and trade disputes. As common law jurisdictions, they provide a familiar procedural framework. For China related contracts, Hong Kong SAR institutional arbitration offers particular advantages as compared with other venues. The Hong Kong SAR common law system operates within China under a "one country, two systems" constitutional framework.

As part of that framework, various mechanisms exist to aid enforcement of Hong Kong SAR arbitral awards in the Chinese Mainland. For example, in

a Hong Kong SAR seated institutional arbitration it is possible to obtain interim relief at the outset of the arbitration from Courts in the Chinese Mainland. Court assistance can be obtained to freeze assets, regulate or restrain the conduct of persons, and to collect or preserve evidence – thereby preserving the status quo for later enforcement.

Once a Hong Kong SAR arbitration award is obtained, there is also a separate arrangement for enforcement in the Chinese Mainland. Adopting Hong Kong SAR arbitration therefore allows the parties the choice of common law procedure, whilst also obtaining enforcement advantages in the Chinese Mainland.

Container misdeclaration: an Australian perspective on *Stouraras Stylianos Monoprosopi EPE v Maersk A/S* ([2024] EWHC 2494 (Comm)).

In this recent English High Court case, the claimant purchased copper scrap under three contracts. The goods were shipped in 22 containers aboard Maersk's vessel, but the containers instead contained concrete blocks. Relying on clean bills of lading issued by Maersk, the claimant paid USD 459,031. Verified Gross Mass (VGM) data provided by stevedores showed the containers weighed far less than the shipper's declared weight. However, the VGM was not cross-checked against the declared weight before issuing the bills.

The claimant alleged Maersk breached contractual duties under the Hague Rules regarding the weight, made negligent misstatements, and owed a duty of care to prevent its bills being used as instruments of fraud.

The High Court dismissed all claims and held Maersk had no duty to compare shipper-declared weights with VGM

data, which was used solely for stowage planning. The Court noted that the bills expressly disclaimed responsibility for the shipper's declared weight, and no negligent misstatement or novel duty of care was established.

Notwithstanding the High Court's findings, an ocean carrier's documentary obligations in these circumstances may be treated differently between jurisdictions, especially as container fraud is a recurring risk in international trade, exacerbated by containerisation and reliance on documentary compliance. While carriers are beginning to implement more robust procedures, fraudsters continue to exploit gaps between operational and commercial processes. In a different situation with under declared weight there may be OH&S implications,

Would the outcome differ in Australia? Possibly. Under the Australian Consumer Law (ACL), s 18 prohibits misleading or deceptive conduct in trade or commerce. If a bill of lading were construed as a representation to the consignee, and the carrier knew or ought reasonably to know of discrepancies, liability could arise despite contractual disclaimers as the ACL cannot be excluded by contract. Courts have interpreted s 18 broadly, and a claimant might argue that issuing a clean, unclausured bill in the face of contrary VGM data constitutes misleading conduct, potentially creating greater exposure for carriers in Australia than under English law. ▲

World Bank: Australian ports show underwhelming performance

Australian container port performance has been demonstrably underperforming over a five-year period, according to the World Bank's Container Port Performance Index 2020 to 2024.

Before we go on, there have been several arguments advanced to downplay or discredit the work of the World Bank. We didn't think those arguments would stand up to scrutiny, so we scrutinised them, and they don't. You can see a detailed discussion in the pages that follow.

Ranking Australian Ports

The World Bank put all the ports in a rank, just like, say, runners racing in a sprint: first, second, third and so on.

403 container-handling ports were ranked. Melbourne ranked at position 265, Adelaide (266), Botany (357), Brisbane (377), and Fremantle (379). All placed in the lower half, and some of them near the back of the pack.

About 66% of all container ports in the world were ranked as better performers than Melbourne and Adelaide; about 88% were ranked as better performers than Botany; 93% were better than Brisbane; and 94% were better than Fremantle.

Measuring performance

The measure of performance for container-handling seaports in the World Bank report is called the "CPPI 2024". As the report says, it focuses on the time spent in ports as a proxy of performance. The higher the CPPI 2024 score, the better.

The World Bank standardised the CPPI at about zero. Any port that is above zero in 2024 did better than the average in that year; any port at about zero is about average; any port below zero is worse than average.

The CPPI 2024 indicates a trivial difference in performance when the numbers between two ports are close together, as, for example, the Chinese

port of Mawan (133) and Vietnam's Cai Mep (132).

There's an increasingly large difference in performance as the numbers drift further apart.

China's Dalian is a gateway port and it has a CPPI 2024 score of 137 and a TEU throughput of about 5 million TEU. It's at the very frontier of efficiency with extremely high performance. Greece's Piraeus is a gateway port (albeit with some trans-shipment). It has a CPPI of 40, so better than average, and a TEU of 5.1m. Brazil's gateway port Santos has a CPPI of -166 (it's literally the second-worst performing port in the world) and 4.7m TEU.

Three different container ports doing the same kind of job with similar volumes, using similar (but not identical) infrastructure and equipment, and they have three totally different CPPI scores.

What does this prove? Performance matters. And it matters a lot.

What Aussie ports scored

Melbourne and Adelaide scored -8. By way of comparison, consider that Yokohama (Japan), scored 115. That's a difference in performance score of 123 points. We can say that Melbourne and Adelaide perform a little bit less than average. Botany scored -48. It's 163 points lower than the best-in-class (i.e. the gateway operations port of Yokohama) and far from the average. Brisbane and Fremantle are at -93 and -94 points and are far distant both from the best-in-class and the world average.

Performance over time

This year's report also recalculated all the scores for the full five years (2020 to 2024) on a like-for-like basis (we go into this in some detail later in this report) so we can see which port is improving or declining over time.

Melbourne started off (in 2020) a bit above average, fell to a bit below

average, and stayed there. Adelaide was sub-average, got to about average, fell back again, and clawed its way back to merely sub-average. Botany started off average, got worse, then stayed there. Brisbane was above average while Fremantle was about average, but both got and fell to near the bottom of the performance table.

The only reason they are not among the very bottom-ranked is because those ports have extraordinarily terrible performance scores. Australian container ports are not comparable to the bottom-dwellers. After rank position 382, port performance isn't just bad it's increasingly atrocious. Durban is scored at -721, which is in a poor performance league or its own.

But it's no defence for Australian ports to argue that very poor performance is OK because it's not as bad as the extraordinarily, terribly bad, performing ports.

No reasonable reading of this authoritative, world-leading, expert analysis could possibly conclude that Australian container ports are doing well. They're not.

Australian container seaport performance is poor. It has been for a while. This is not a marginal complaint. This is not an industry whinge. This is not OK. Pretending otherwise is not credible.

Australia has a real, and serious, public policy problem to solve. ▲

CPPI accurately reflects supply chain pressures

“The aim of the CPPI is to provide an objective measure of container port performance, identify global or local trends in maritime container trade efficiency, and highlight where vessel time in port could be improved,” the CPPI 2025 says in its Executive Summary.

A good question therefore is whether or not it can be relied upon for that purpose.

The quick and simple answer is “yes”.

The longer, more complex, answer is, “yes, you can, really”.

Industry executives, analysts, decision-makers and elected officials absolutely can rely on the Container Port Performance Index (CPPI) to tell us what’s happening in the global supply chain.

We know this for several reasons.

Firstly, the story it tells is highly compatible with other internationally regarded indices that are produced by transport experts.

Researchers compared the CPPI with other major indices – the Global Supply Chain Pressure Index (produced by the Federal Reserve Bank of New York), the Global Supply Chain Stress Index (produced by the World Bank), and the Shanghai Containerized Freight Index (produced by the Shanghai Shipping Exchange – a non-profit institution, set up by the Chinese Ministry of Transport and the Shanghai Municipal Government).

These indices track related, but distinct, phenomena that show us what is going on in the world of transport and logistics.

The Pressure Index looks at a range of data including the Baltic Dry Index, the Harpex Index, airfreight costs from the US Bureau of Labor Statistics, and various parts of the Purchasing Managers Index – which looks at manufacturing across major economies.

The Stress Index takes AIS data as supplied by Marine Traffic, with input from the Shanghai Containerized Freight Index.

And the Shanghai Index is compiled from actual freight price data supplied by 22 liner shipping companies and 26 shipper / freight forwarder companies active in the market.

World Bank researchers found that these other indices show “clear and synchronous” patterns with the CPPI. Or, in other words, as these other indices show a given pattern of change within the global logistics sector, then the CPPI clearly shows complementary changes happening over the same period.

So, we have three other major indices, from separate world-renowned institutions, using separate methodologies, and these reports are generated using other globally accepted indices and actual, live, freight data. All three of these indices separately suggest mutually compatible explanations of how the world economy / transport-economy is doing.

And the CPPI contains results that are compatible with those other three reports.

Secondly, we can consider the CPPI data itself. According to S&P, it covers at least 400 box ports, and 1,000 box terminals. It is gathered from 3,650 terrestrial AIS stations around the world, over 4,200 ships, and from two providers of satellite data, and it has been gathered over at least eight years. It is fair to describe that data as a wide and deep set of data collated from real-time (or close to it), real-life industry-interactions gathered across jurisdictions, geographies, time, and sub-sectors of the global container ocean transport industry.

Thirdly, we can also consider that the World Bank is a globally regarded and expert economic analysis institution that employs internationally leading transport economists. We can further consider that the data for the CPPI is gathered by S&P Global – a major international entity, which, like the World Bank, employs global quality analysts.

Ok, a key concession here: an argument isn’t well supported because it is asserted by an expert. It is only well supported if its conclusions follow logically from its premises and if it is factually correct. But the fact that the World Bank – an elite economic analysis institution – has done this report ought to lead to an inference that the CPPI probably is a well supported report, especially when the other

supporting aspects of the report are taken into account too.

To summarise: we have four reports, compiled by different sets of world-leading transport economists, employed by different globally regarded and elite economic analysis institutions that are based in different geographies and come from different socio-cultural traditions, using four (or more) different methodologies (the CPPI itself has two different methodologies in it), and much of the analysis is based on real market data (freight rates as reported by people involved in the freight-deal) and ship-position data (AIS).

All of those factors ought to raise an overwhelming conclusion that the CPPI is well-supported, is evidence-based, and, in an imperfect world, is the currently best available guide to container port performance.

Let’s consider the counter-factual for a minute. If it is reasonable to dismiss the CPPI – as its opponents would have you believe – then we must believe that a lot of elite expert transport economists working independently and separately, in different places, at different times, in different institutions, in different socio-cultural traditions, managed to get similar things wrong in a similar way so as to produce an ecosystem of similarly wrong reports which are mutually supportive in their wrongness. It’s possible ... but it seems unlikely.

It therefore seems reasonable to conclude that remarks which pour scorn on, or are dismissive of the CPPI, are simply not credible without overwhelming evidence in support. Such critics ought to put up evidence to back up their claims.

We should see such comments for what they are: rhetoric without support or evidence.

That is not sound argumentation. That is noise.

Disregard. ▲



CPPI is valid for tracking box port performance over time

It is clear that the CPPI can now be used to review port performance over time.

To be fair, previous versions of the report did not enable a robust time-based analysis because those earlier versions were focused on comparing port performance within that year.

In the most recent report, the earlier data was “normalized”. That’s the statistical way of saying that different values of different things being judged on different scales were adjusted so they could be measured and judged on a common scale that year.

The earlier CPPIs highlighted comparability between different ports in the same year.

Previously, when working out both the administrative and statistical approach, the World Bank took the average score of all ports that year and set that as zero. There were additional year-specific factors in the statistical approach too.

This year though, it’s different.

As the World Bank says, the “only way to make valid [comparisons over time] would be to work with the operational data”.

And so that’s exactly what they did.

The World Bank explains it well, so we’ll let them speak for themselves:

“For this year’s report, we applied a single reference distribution based on 2024 data and used it as the basis for mean centering all years’ data.

Using the raw operational variables, we compute the mean for each ship size group and each relevant variable based on the 2024 dataset. We then recalculate... scores for previous years using these 2024-based parameters...

... to maintain consistency in ship size groups and port inclusion criteria, we apply the 2024 group definitions retrospectively to earlier years. This ensures that changes in composition do not affect comparability...

... this enables us to calculate changes over time...

Adopting this rebasing approach allows for time series analysis, trend lines, and policy-relevant performance tracking,” the World Bank says. If you don’t believe us, feel free to look it up. It’s on pages 52 and 53, under the heading “5.5 Trends: Comparing Five Years of CPPIs”.

Look, this is not the easiest thing to understand. It certainly took us a few goes to get it. Let us put in simple, non-statistical, language for you:

- Using operational data, the World Bank worked out a centre point in the 2024 data (technically they worked out the

mean of the 2024 reference distribution. Us lesser mortals can assume “centre point” covers it adequately).

- They recalculated all scores for all years with reference to that point.
- That data selection and subsequent re-calculation means:
 - port performance can now be tracked over time
 - policymakers can have port performance tracked for policy purposes
 - we can now see, over time, whether port performance is improving or declining

So, we wouldn’t normally say what we’re about to say. But, in this particular case, we have to.

Commentary which claims that the CPPI can’t be used to call out port performance over time is not merely an example of someone having a difference of opinion, nor is it just a different way of thinking about it.

That kind of commentary is no longer valid.

It is just wrong.

Flat. Out. Wrong.

Disregard. ▲

Good container port management boosts CPPI ranking

Being a big port isn't the key to performing well, the CPPI indicates.

Good management is the key. Any port could, in theory, boost its performance by copying the good management practices of high-scoring ports.

Adopting digital systems was one driver of improved performance. As the report says on page xv: "the CPPI confirms that good port performance is not simply a function of scale. Ports of all sizes can achieve high performance when well-managed, with optimal crane deployment and process efficiency".

Adopting digital systems... that would be nice

Incidentally, as a bit of an aside, we can't help but focus on the "adopt digital systems" bit for a minute or two.

We recently ran into a person from a well-known Australian port who told us verbally – and we kid you not, this is what we were actually told – that some of the port's data handling processes involve the use of carbon copy processes.

We know, right? Wow!

In an age when it is increasingly common nowadays for cafes to make you use a mobile phone to scan a QR code just to buy a flat white, from where, how, and from whom, would you even buy carbon copy materials these days?

The mind boggles and the jaw drops.

Anyway.

Improved port rankings are possible, CPPI shows

That change is possible is clearly shown by the "Top 20 ports improvement in CPPI 2024/2020" (table 2.2). Let's have a look at the top three.

The Port of Posorja, Ecuador, has seen its score rise by 72.8 points over period 2020-to-2024. Gothenburg in Sweden,

rose by 71.2 points and Marseille, France, improved by 59.3 points.

There are many more examples. We will turn to a few ports that were selected by the CPPI authors at the World Bank as being particularly noteworthy.

Posorja pounces on the most-improved title!

This Ecuadorean port shot up the rankings in Latin America owing to purpose-built infrastructure, and ongoing investment (hmm – after reading this, you might want to have look at our article in this Annual Review about big investments on the Australian waterfront) in a new-deep seaport.

Posorja is (or was) a greenfield. Now it has a 16-metre access channel and super post-Panamax equipment. DP World is investing in extending the berth to 700 metres and increasing crane capacity to allow two ships to be worked simultaneously.

Dakar drives ahead!

The highest-ranked port in Sub-Saharan Africa is Senegal's Dakar. With a 105-point rise, DP World-operated Dakar rose from -82 to +23 in the 2024 CPPI.

Significant investment, including the installation of new cranes, expansion of its yards, and the development of a port community system appears, to have done the trick, although the World Bank says that improvements in hinterland connectivity and trade facilitation helped.

Road links have been upgraded and a single window customs system is reducing dwell times, the World Bank reports.

"Liner shipping connectivity has increased, with Dakar now receiving direct services from Asia," the World Bank says. That, in our view, is the most important piece of praise: customers are rewarding the port with more business.

Jawaharlal Nehru Port, India

India's famous port has experienced "significant" improvements over the last four years owing to additional terminal capacity and process reforms that have cut turnaround and dwell times. There appear to have been improvements across the board with deepwater (-16.5m), big quay (1,000 metres), modern equipment, and high-productivity gates.

"Moves per hour per ship and per crane are reported to have improved, as are truckside and rail process improvements," the World Bank says in the CPPI on page 18.

Ports improving around the world

Mersin, Türkiye, took a bit of a beating owing to a massive earthquake, while the closure of a port elsewhere in the country resulted in a "large-scale cargo diversion" and severe congestion. Mersin has fought its way through its difficulties with capacity expansion (quay line lengthening and draught-deepening). Port Said in Egypt, labelled as "among the most improved container ports, is now ranked 3rd in the world owing to "strategic investments" and reforms, according to the World Bank, although it is fair to point out that the Red Sea crisis and subsequent re-routing of container ships has helped alleviate pressure. Meanwhile, there is a massive expansion of the terminal capacity by roughly 46% with a 2.1 million TEU boost to give a total installed capacity of 6.6 million TEU. The implementation of a port community system and vessel optimisation have cut time in port, the World Bank says.

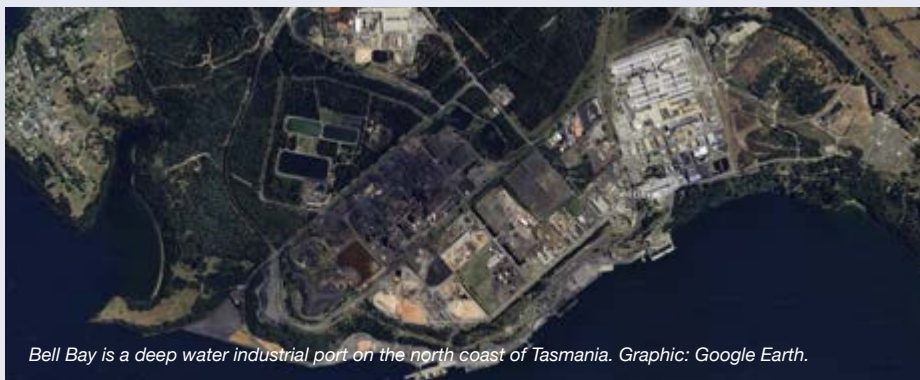
Key takeaways

The key, common features, for improvement tended to be partnerships with global terminal operators and political will to improve trade procedures, the CPPI reported.

The Report also noted that ports with rising CPPI scores between 2020 and 2024 have combined investment with digitalisation, engage in 24/7 operations, and have developed strong coordination with customs and logistics partners.

Meanwhile, in Australia, certain ports might well still looking for someone to sell them carbon copy paper. ▲

Why is Bell Bay so highly ranked?



Bell Bay is a deep water industrial port on the north coast of Tasmania. Graphic: Google Earth.

A few commentators have gotten the hump about Bell Bay being quite highly ranked (well, highly ranked relative to other Australian container ports anyway) in the World Bank's Container Port Performance Index.

Bell Bay gets a CPPI 2024 ranking of 196, which leaves behind several more well-known Australian.

It's worth pondering on this. Every year that the CPPI is published, somebody, somewhere, points to a lower-traffic port that has risen, or fallen, or has scored higher than a much bigger port. For example, in the first year of publication, we recall people sneering that Dutch Harbor in Alaska scored highly. It was described by one commentator as a "crabbing port," And, hey, fair comment, it is primarily a commercial fishing port. Therefore, the implication goes, the whole index is invalid.

In the latest report, fingers are being pointed at Bell Bay. This is a deep-water port on the north coast of Tasmania. No offence to anyone who loves Bell Bay, but we think it is fair to say that it is not regarded as a leading container port.

The port handled about 27,000 TEU in the 2024 Financial Year, according to the TasPorts Annual Report 2023-2024. Which is fine, that's not a criticism. There are big volume ports and small volume ports and everything in between. It's OK to be a big volume port, or a small volume port, or a port that has a volume somewhere in-between.

Relevance?

And none of that's really relevant to the CPPI anyway.

As we explain in some detail in another of our articles, the CPPI is an objective measure of container port performance based on vessel time in port. The objectivity comes from a large amount of real-life data (AIS information generated as ships enter and leave port). This data is gathered from thousands of providers over a near ten-year period.

This has implications.

Bell Bay is a smaller port with much lighter volumes of vessel and container traffic. It stands to reason that a small, well-managed, port is going to score reasonably well on any system that tracks ship time in port.

It's possible that Bell Bay's score might swing around a bit from year-to-year because it receives fewer port calls. That's not a criticism of Bell Bay or the CPPI. That's just how statistics work.

The World Bank does address this exact point. At Figure 3.4, the Report points out that "some of the smallest ports [as] measured by the number of ports calls also achieve short times at berth. In these cases, the causality is different: not the number of cranes per ship, but the efficient handling of ships with low volumes allows for short stopovers".

Elsewhere, in Section 5.3, it points out that ports with fewer than 24 container calls per year are excluded from the

calculations. Of the 529 ports in the dataset, 106 were cut, leaving 403 in this year's report. It stands to reason that some lower volume ports will occasionally receive more calls than usual and could find themselves in the Index.

On that point, we feel that no-one ought to expect unreal standards of perfection. In any measuring system you care to think of, there will be interesting outliers and anomalies.

The average male height, for example, is between 159 cm to 185 cm. The tallest man (Leys et al, 2019) at the time of Leys' research was Mr Sultan Kösen at 251cm.

While he's certainly not of average height, it doesn't mean that Mr Kösen is invalid as an example of a human male. It just means that he's really tall compared to other human males.

Nor does Mr Kösen's height prove that systems of measuring and calculating human height are invalid.

It just shows there's a data point that might cause some people to say, "oh, how interesting". And those people might then think no more of it. Or they might remember it and quote it in an article about container logistics. That's all.

As it is with Mr Kösen, so too it is with the Port of Bell Bay.

Arguments to the contrary? Unsupported. Invalid.

Disregard.

References

Leys, C., Delacre, M., Mora, Y. L., & Lakens, D. (2019). How to classify, detect, and manage univariate and multivariate outliers, with emphasis on pre-registration. *International Review of Social Psychology*, 32(1), Article 5. <https://doi.org/10.5334/irsp.289> ▲

Low ranking equals poor port performance and harm to Australia

Is Australian container port performance really all that bad despite Australian ports having low rankings in the World Bank's Container Port Performance Index? It's a fair question to ask. Critics of the CPPI have certainly used that argument.

The CPPI is a body of work by the World Bank that is based on S&P Global data derived over years from AIS signals from many thousands of collectors including shore-based systems, ships, and satellites.

The CPPI indicates that Australian container port performance, based on the time vessels spend in port, is longer than the industry average. And, when ranked as a whole, the major Australian container ports are generally among the worst performing ports in the world.

Incidentally, let's remember that, while not perfect, the CPPI time-in-port is



Mohamed Salah was Liverpool's top goal scorer in 2024-2025, scoring 29 goals for the club in the EPL. Photo: Kevin Walsh. Creative Commons Licence 2.0.

the best comparative proxy for port efficiency currently available.

There is one outlier, Bell Bay, which we have discussed elsewhere in this Annual Review. The outlier is just that: an outlier. So, we feel confident in putting it to one side. When we talk of "all Australian container ports" we are referring to Adelaide, Brisbane, Fremantle, Melbourne and Sydney.

Not only are the Australian container ports in the bottom half of the table, three of them Brisbane, Botany, and Fremantle, are in the fourth quartile (i.e. the last 25% of ports). Botany is among the bottom fifth of all ports, while both Brisbane and Fremantle are in the bottom tenth of ports globally.

But is that a problem?

Some commentators have argued that Australian ports being poorly ranked isn't a problem. We don't agree with them, obviously.

The argument is that rankings only tell you where you are placed in a pack. They don't give you insight into performance. The unspoken implication is that no, or little, attention should be paid to the CPPI report because of this alleged flaw.

The critics of the CPPI have a problem. The CPPI doesn't just rank ports. It measures performance too.

But let's take the claim of the CPPI opponents seriously. Their claim, paraphrased here, is that while it's disappointing that Australian ports did not rank highly in the container port performance index, the performance is not really that bad.

Let's unpack that.

But before we do, let's take a moment to acknowledge that CPPI opponents also make a variety of other claims, such as Australian container ports are systematically disadvantaged because they have different geographic features, or they have different labour conditions to other places in the world.

We are sceptical of the significance of such claims – there are lots of places with geographic and labour peculiarities. And the fact that Australian ports are far away from other container ports in the world doesn't have a lot of explanatory or excusing power. Why would that explain or excuse the fact X-time spent in Y-port is so much longer than comparators? That's an especially pointy question when you consider that the form of container ports and shipping is similar the world over.

Container ports (or nearly all) have pilot pick-up and drop off points, channels, turning circles, berths, etc. and the container logistics system is built around a standardised piece of equipment – the ocean shipping container. It's hard to credit claims of unique Australian seaport difficulties when they are all part of the same standardised system.

Meanwhile, the dataset of 400+ ports averages out such issues and, in any case, such factors don't explain, multi-year underperformance relative to peers. If anyone wants to argue that Australian container seaports are uniquely disadvantaged, then they ought to bring some pretty solid supporting evidence.

Playing with soccer statistics

Liverpool Football Club topped the English Premier League in 2024-25. Southampton Football Club occupied the last spot at rank 20. Was there really any substantial difference in performance between them?

The Mighty Reds proved worthy of their nickname. Liverpool won 25 times, drew 9 times, lost four times, earned 84 points, scored 86 goals, and had a goal difference (goals scored less goals conceded) of +45.

Now, let's have a look at the tragic performance of the season's loser, Southampton. Prepare yourself. For a Premier League team, this is pitiable.

While there's 'only' 18 spots on the board between Liverpool and Southampton, there is a yawning void between them in performance.

Southampton won 2, drew 6, and lost 30, earning 12 points, scored 26 goals, and had a goal difference of -60. No, that's not a typo, it's a goal difference of negative sixty.

Or, to put it another way, Southampton won hardly any games compared to Liverpool. It barely managed any draws, was absolutely smashed in terms of losses, hardly earned any points (which may possibly have been gifted to them by the League's authorities out of a misplaced sense of pity), and scored barely one-third as many goals as Liverpool. We do not even want to comment on each team's respective goal difference.

It's clear then that Southampton, while literally in the same league as Liverpool, wasn't metaphorically in the same league as Liverpool. Nor, indeed, was it metaphorically in the same league as the other teams in the Premier League for that matter. We really feel quite sorry for the poor fans of Southampton, it must have been a quite unhappy season. Relegation to a lower division probably came as quite a relief.

As it is with sports, so too it is with ports.

Let's have a look at, say, Yokohama, Japan (we mean the port, not the soccer club), which is primarily a gateway operations port. We're trying to exclude trans-shipment ports like Singapore in this commentary.

Incidentally, on that point, this is another way CPPI opponents carry out their attack. They argue that gateway ports (which primarily handle import-export containers) don't necessarily stack up well to trans-shipment ports.

Which is true, but it's misleading because it's cherry-picking the comparator.

If you want to look good, you pick a bad comparator. Likewise, if you want to say a common scale shouldn't be applied to you, you pick a manifestly unsuitable comparator and compare yourself to that carefully chosen comparator and argue the scale is wrong.

To avoid this logical error, we will stick to comparing gateway operations ports.

Quick reminder: the CPPI 2024 is a standardized index centred at zero, which reflects the global average. The index is based on average vessel time in port, adjusted for port size and

volume. Positive values equal "better than average" and negative values mean "worse than average".

For our purposes: positive numbers = better; negative = worse. Simple as.

So, anyway, back to Yokohama. It's got a CPPI 2024 of 115. Yokohama is 123 points ahead of Adelaide or Melbourne. This points difference translates into many hours of vessel time saved, which spares shipping companies from racking up huge, wasted, costs. Meanwhile, Yokohama is 163 points better than Botany, 208 points better than Brisbane, and 210 points better than Fremantle.

Cheery cherry picking

You might now turn to us and accuse us of cherry picking by selecting the top ranked gateway operations port, Yokohama, as our comparator. Which, to be fair, we have done. We picked Yokohama because it is the top-ranked gateway operations port. It's the best in class. Comparisons to the best in class is a commonly used method of comparison. Remember, firstly, we were stripping out trans-shipment ports so as to pre-empt criticism that comparing trans-shipment ports to gateway port isn't fair. No-one would want to compare apples to oranges, after all.

Secondly, we could do the same exercise again and again and again with ports that are ranked higher than Australian ports. But we can only do it relatively few times with ports ranked below Australian ports. And that's because all Australian container ports perform considerably worse than the top-ranked ports, and some Australian ports also perform very badly when ranked against the global average of container port performance.

CPPI rankings matter because they reflect port performance

This reflection is all about examining how true it is that the CPPI rankings don't really matter. The CPPI opponent's argument is that being a lower-ranked port doesn't necessarily mean that performance is all that bad.

But that's not supported.

Top ranked ports are top ranked because they're good. They perform well.

Poorly ranked ports are bottom ranked because, well, they're not good. They don't perform well.

The data shows – just like the scoreboards of the English Premier League – that rankings do directly reflect real world performance.

Container port performance is not an abstract and academic metric. It is derived from data on the time ships spend in port.

A low rank in the container port performance index is earned because of poor container port performance. And that potentially costs shipping companies quite a lot of cash. Rough calculations by Shipping Australia suggest that delays cost anywhere from several tens to a few hundred US dollars per minute of delay (depending upon a wide range of ever-changing factors such as the cost of fuel).

That greatly affects whether goods bound to / from move as competitively as they could and whether Australian households pay more than they otherwise could. Such costs are known to factor into the Australian economy. Accordingly, we know that poor Australian container port performance hurts the Australian economy, and therefore also potentially harms the people who live and work within it.

The CPPI data is clear: our ports are not just low-ranked, they are serially underperforming.

Australians are paying the price for that underperformance. The obvious policy prescription here is that Canberra should not allow Australians to come to harm if possible and certainly not unnecessarily.

Let's go back to our soccer league analogy.

The top-ranked ports are like Liverpool Football Club.

And the bottom-ranked?

Well, they're much more like Southampton.

Just like the rankings and performance stats in the English Premier League, CPPI rankings matter. CPPI performance matters.

And arguments to the contrary? Well, they are unsupported. And, worse, adverse to the interests of Australians.

Disregard. ▲



Errors of the philosophical fruit

“I hate you,” said the orange.

“But why?!” exclaimed the apple, surprised, and hurt.

“Because you are green! And green is not beautifully orange, like me,” the orange preened, twisting slightly in the early morning sun to highlight its beauty.

There was an awkward silence.

“Well,” said the apple, with righteous annoyance, “of course I am not orange. I am green. I am an apple”.

“Well,” harrumphed the orange, clearing its non-existent throat, “I don’t care. I don’t care that you’re an apple. I don’t care that you’re green. I care that things should be orange, because orange is better. So, it would be better if you were orange, at least in part. That’s logic, that is,” the orange argued.

“But I’m an apple. And apples are green. If I become part orange, I wouldn’t be an apple anymore,” the apple explained.

“I don’t care,” the orange said, and then turned its metaphorical back on the apple.

The apple pondered the orange’s strange

ideas. It looked around and saw leaves, and bushes, and grass. All green.

So, it decided to try a new argument with the orange.

“Look,” said the apple, gesturing with its non-existent hands, “we are in a world of green. The grass is green, the leaves are green, the bushes are green, and I am green.”

So?” the orange demanded, aggressively.

“Welllllll,” said the apple slowly and carefully, “me being green means that we can look at me and say, ‘this is apple-green’. And then we can look at the bushes, and leaves, and we can say ‘they are not apple-green’. We can also say they are greener, or less green, or about the same green, as apple-green,” the apple explained.

“And of it, what?” the orange snorted, annoyed.

“It means we have a point of comparison. We can judge green things by reference to how green I am,” the apple explained.

“The point being?” the orange challenged, derisively.

“It’s valuable. It gives us a new way of looking at the world,” the apple said. “We can compare. And contrast. Maybe we can even decide, using all this new information, which is better. Or worse. And knowing that, we could then decide what, if anything, we might do to make things a little better. And if things are better, then our welfare might improve a little bit. Now, if I were part orange...” the apple said.

“...Orange is best,” the orange affirmed, enthusiastically.

The apple ignored the interruption, “... then we would lose that ability to compare, to contrast, to judge so as to make things better”.

“Hmmmmmm,” the orange pondered. “Yes?” the apple asked, eagerly.

“Orange is still best!” yelled the orange! “You should become part orange! I don’t care how green things are! None of this matters to me! Because being part orange is best! Which means you should become part orange!” the orange raved.

“Oh, we’re going around in circles!” the apple despaired. “If I turn part-orange, then I’m not a pure apple anymore! And then we lose the ability to judge just how green things are!” the exasperated apple explained.

“I’m not going to pay attention to you,” the orange said, and turned its metaphorical back on the apple.

The apple pondered the words of the orange for a while and felt sad.

It then reached out in a small, despairing, and quiet voice and asked: “why can’t you see the value of knowing what is green?”

“BECAUSE IT’S NOT IN MY INTEREST!” the orange yelled in reply.

And with that, both fell into an uncomfortable silence.

So it is that the concept of truth, and the path to improvement, fades away before the obstinacy of self-interest.

We hope that everyone can see the errors in the thinking of the philosophical fruit.

The orange tried to mix apple-ness, greenness, and orangeness.

To demand that the apple become orange, and to criticise it for not becoming orange, is to attack the apple for not being inherently what it is, which is an apple.

No matter how good the orange thinks the colour orange actually is, and no matter how devoutly the orange wants the apple to become orange, the apple is not orange. It will not become orange because it is an apple, and this specific apple is green. The orange has made a category error, which, in this case, is demanding that the apple have properties it cannot possibly have or acquire because the fundamental nature of its being is not to have those properties. It’s like demanding that the cold be hot or that a table should have emotions.

There is nothing inherently wrong with the apple’s apple-ness or its greenness. In its substance it is fundamentally an apple. And using its greenness as a tool for comparison to judge other green things is a perfectly valid function of its inherent quality of being green.

Let’s abstract that little bit.

No how much we want a thing to be some other thing, or to have the qualities of that other thing, it is - ahem - fruitless to wish or desire for that other thing to change and to still be what it once was. It is also sub-optimal to then demand that the thing be mixed with some other thing, and, in so doing, destroy a perfectly valid and useful tool that could be derived from the original qualities of that thing. When the use of that tool could lead to improvement that benefits the public good, to demand to destroy the underlying basis of that tool is really quite morally repugnant especially if the motivation for so doing is to protect one’s own interest.

Now, let’s de-abstract that a bit, and apply it to the World Bank’s Container Port Performance Index and to Australia’s shipping and seaports industry. There has been a lot of criticism (wholly unjustified in our view) of the CPPI which we have tackled elsewhere in this annual report. But there is one point we want to tackle here and now.

The World Bank’s Container Port Performance Index measures time spent in ports by ships. It is a marine side data report. That’s its fundamental nature. Its function is to provide a reference point in the world of container ports. Stakeholders can make performance-related judgements of the performance of container ports. They can use the report to judge the performance of a given port against an average of ship time spent in port, against the top-ranked ports, against the bottom-ranked ports, by quartiles, by deciles, and by any of the other myriad ways that the data in the CPPI can validly be chopped.

We now know from the CPPI that Australian container ports are greatly underperforming both relative to the top-ranked ports and also against the global average.

We also know that the performance of most Australian container ports – which serve the vast majority of the Australian people – is among the world’s worst-performing container ports. We also now know that this has been going on for at least four or five years (and we can probably infer underperformance for a period longer than that). We further know from the CPPI that their performance is generally getting worse over time.

Critics of the World Bank’s CPPI report have made the criticism (and we’re summarising and paraphrasing a bit here) that the CPPI is flawed because it does not contain a range of broad supply chain measures or hinterland performance indicators such as connectivity, cargo dwell time, or intermodal performance.

But that’s not what the CPPI is about. As the CPPI states in section 5.6 (on page 54): “When interpreting the CPPI scores of a port, it is essential to understand what is being measured and what is not. The CPPI focuses on the time spent [by a vessel] in port as a proxy of performance”. In the subsequent paragraphs the CPPI talks about the shipper’s perspective and the things that they would like to see analysed. The CPPI then adds that such things will be captured in a forthcoming logistics performance report.

Criticism condemning the marine-data focused CPPI report as flawed because it does not include broader landside logistics performance indicators is a criticism that the CPPI is bad because it excludes elements that are fundamentally excluded by design. It’s a criticism that the CPPI is bad because it does not include elements that by its fundamental nature it does not, and should not, have nor acquire without becoming something other than what it is i.e. a marine side-data report. And it’s a report that has a lot of value because it gives us great insight into the world of Australian container port performance that could be tackled to the welfare benefit of all Australians.

To say the CPPI should include data other than what it already does is a category error. It is to demand that the true nature of the report be changed by the inclusion of other data which, if included, would corrupt and de-value the original report.

This is like the orange condemning the apple for being green.

Such criticism is invalid.

Disregard. ▲

Big investments in Australian ports are concerning, not exculpating

Australian ports are unfairly penalised by the World Bank's latest Container Port Performance Index because it doesn't take investment into account, or so the critique goes.

We'll skip over the problems of insisting that one thing is bad because it is not some other thing, or that a pure report should be contaminated with non-relevant material (we cover both of these elsewhere in this Annual Review).

The criticism is that about A\$4 billion has been invested in Australian ports over the last five years, and that these investment dollars were used to improve and expand port infrastructure.

It has been further claimed that the A\$4 billion figure isn't the whole sum. A lot more has been invested, the claim goes, by other parties for the purposes of inducing greater levels of productivity and sustainability at container terminals.

A series of implications would then logically follow.

An (il)logical ladder

If the CPPI does not take into account the high levels of investment in the Australian containerised seaport sector, then:

First implication: Australian container port performance should be ranked higher than the CPPI currently ranks it.

Second implication: that's not fair!

Third implication: the Index is misleading, maybe invalid.

Fourth implication: the CPPI ought to be disregarded.

Shipping Australia obviously does not agree.

Job done

It's all rather clever. Make a bland statement about the size of investment in the Australian port sector. Then, sit back,

wait, and, without taking any further action, let the pernicious ideas percolate into the minds of the audience. "Job," as they say, "done". Really? Let's unpack it.

A critique of pure relevance

Firstly, it is a claim that's hard to verify. Without explicitly being told exactly how many dollars have been invested by who, into what, and when, it is beyond the limits of human knowledge, experience and reason to understand how much has been invested into port infrastructure.

There clearly has been investment over time and quite a lot of it too. So, we will just take that claim at face value, and

we will accept it as true. There has been huge amounts of investment in Australian container ports over time.

Now let's look at the World Bank Report from "5.4 Interpreting the CPPI", which starts on page 52.

It states: "the objective of the CPPI is to provide an objective measure of container port performance based on vessel time in port" which can indicate which "aspect of the port call process is relatively better or worse".

It says nothing there about investment. Nothing about whether it is good or bad, fair or unfair, necessary or unnecessary. Nothing at all in fact.



Billions of dollars have been invested in Australian ports, but there's been no uplift in productivity? That's a cause for concern. Photo: Squirrel Photos.

It doesn't say anything because the index itself excludes investment as a factor globally and not just in Australia. And that's because the CPPI isn't about investment, it's about operational efficiency on the marine-side based on observable facts – how long ships spend at anchor, and how quickly ships come and go from port. The index is calculated from data.

The first, and the kindest, critique of the investment argument is that it is simply not relevant.

Narratively speaking

Even though investment is not relative to the index itself, we will nonetheless follow the argument to see where it leads. We already know for a fact that the CPPI itself is data-based and looks at vessel time in port, so the index itself does not help in assessing the investment argument. So we will look at the narrative in the report surrounding CPPI.

There we do find numerous, explicit, illustrative examples of, and references to, investments in container ports around the world. On page 18, under "Selected ports that improved their CPPI," the World Bank talks about the benefit of investment in various high-performing and highly ranked ports around the world, such as, for example, at Port Said, Mersin, and Posorja. There are many other references and examples.

On page xv the World Bank report comments on seaport investments. It says that ports with rising CPPI scores have "often combined investments" with other factors, and a paragraph or so down, it says, "this year's CPPI report can help identify where... additional investments may be warranted". While this isn't proof that capital investment inevitably leads to performance improvement, it does imply that investing can have a beneficial effect.

But remember the original claim and its logical implications: that the CPPI system under-ranks Australian containerised seaports (and, by implication, is invalid) in the context of criticism that billions of dollars have been invested into Australian containerised seaports and.

It logically follows that opponents of the World Bank Report believe that Australian investment has improved local port performance even if the CPPI ranking doesn't reflect it.

Face value

If we take the claim that there has been high investment in the Australian containerised seaport sector over recent years (true) and if we take at face value the implication that the CPPI therefore under-ranks that sector (not true as the CPPI is based on marine-side performance data) then an unresolved tension appears.

Why would seaport investment in container ports overseas improve the performance of container ports in other countries but not in Australia? And that's especially puzzling as large investments have been made by the same companies that own and operate containerised seaports both around the world and in Australia.

One reason could be that investment here has been focused on things that don't benefit marine-side efficiency, like landside infrastructure such as roads, roundabouts, fencing, or shore power. It is all valid land-side investment, but it doesn't do anything for marine-side operational efficiency. If that's the case, then the argument that the marine-side focused CPPI under ranks Australia because it doesn't take account of non-marine-side investment would be obviously irrelevant.

But if it is marine-side investment?

Damning, not exculpating?

Well, you could imagine that marine-side investment would improve marine-side productivity. However, unlike other nations, marine-side investment does not appear to have done so. It could be that Shipping Australia is flat-out wrong in that assessment. Perhaps, unknown to us, marine side investment has in fact improved marine side port performance, but that suggestion doesn't seem to be supported.

The CPPI does show extensive multi-year underperformance in Australia relative to global container ports. ACCC reports have also shown multi-year box moves per hour per crane around the 30 TEU mark, which is low relative to other ports around the world. Shipping Australia has also seen presentations from a wide range of parties showing container ships have held up for many hours, in some cases, for multiple days. Bad weather will explain some of it, but not all of it.

The argument that investment into the Australian sector has not improved domestic container port performance would appear to be strongly supported. Any person who would want to argue that investment has in fact improved marine side performance but hasn't shown up in reports, analysis, and the operational experience of shipping companies needs to explain how, and why, and provide evidence of the same.

Moving on, perhaps the investment has been into something that does not expand marine-side productivity. Once again, the burden of answering those questions and providing evidence should fall upon those who rely upon the investment argument.

The next step in this analysis is consider the scenario that large amounts of capital have been invested into something that ought to have improved marine-side productivity, but hasn't.

If that's the case, then (a) the managers of ports may have some serious explaining to do to their shareholders and stakeholders as to why; or alternatively (b) there could be something very seriously wrong with Australia, namely, why is it that Australia appears to be failing to convert marine-side capital investments into marine-side productivity?

Is it a governance matter? Is it some kind of market failure? Are the problems with institutional incentives? Are there structural problems with the sector? What? How? And why? Such matters are squarely within the remit of the Federal Government. Canberra would therefore be well advised to carry out an inquiry to get to the root cause to enable the application of a remedy.

Australian welfare is at stake.

At this point, we have pretty much followed through the logical implications of large investments into Australian ports not showing up in the CPPI. Without further evidence and argumentation from critics of the CPPI we can go no further.

What we have shown, so far (which is rebuttable if new evidence is presented), is that, currently, the investment argument is irrelevant.

At worst, it is not exculpating. It is highly-concerning. ▲

What should we count?

If anyone suggests that performance, or indeed, anything else needs to be measured, then the next obvious question is: what should we count?

There are some fairly obvious candidates: total vessel time in port, the difference between “time in port” and “time at berth”, and crane rates (boxes moved per berth hour).

Metrics that count

As a statement from the World Bank reads: “It [the CPPI] emphasizes total vessel time in port as a key indicator of operational efficiency, which is crucial for understanding the resilience and reliability of global trade”. Although a note of caution is warranted because, as the CPPI points out, ships may stay in port for reasons other than loading or unloading.

Such reasons include staying at anchor or berth because of bad weather, the

need for convoys (in security-risky areas), waiting for times, bunkering, repairs and many more.

“To reiterate, a longer time in port is not necessarily a negative indicator for the operations that take place at the berth. At the same time, [all things being equal], ships and cargo incur waiting and inventory holding costs if they have to wait without obtaining any desired additional services. And the latter needs to be included in an indicator of port performance... the purpose of generating and publishing the CPPI is to provide an index of port performance, not of berth performance. And a port can improve its performance if waiting times before berthing are minimized”.

However, the report also adds that, “ultimately, it is the containers moved per berth hour that count, subject to minimizing the difference between time in port and time at berth”.

Oil! You! Pick one!

If one metric and only one metric can be picked, Shipping Australia would opt for total time in port owing to its simplicity and trackability (although even that is tricky – does time at anchor count? What if there is bad weather? and so on).

However, in the modern age, there’s no good reason why they can’t all be counted and published. We believe it would be in the public interest if they were in fact counted, verified, and published freely (both free of charge and freely available) on a public website, such as on a website run by the Commonwealth’s Department of Infrastructure, Transport and the Rest of It.

If a policy maker is looking for a clear, simple, and beneficial policy to implement, ongoing publication of port performance data is one that could be adopted. ▲



Pictured: a child's abacus. Once it is agreed that performance should be measured, then it needs to be agreed as to what should be counted, and how. Photo credit: Councilcle via Pixabay.



Pictured: Parliament House, Canberra, Australia. Our Commonwealth government ought to thoroughly investigate why Australian port productivity is so poor. Photo credit: Social Estate via Unsplash.

Shipping Australia calls for a Federal Inquiry into the lack of Australian port productivity

As the World Bank indicates in its latest CPPI report, a timely turnaround of container ships keeps logistics costs low and ensures that ports “remain catalysts for development”.

As any good manager understands, if we want to know how a thing is performing, then we need to measure that thing.

That task has been done in relation to

ports because the aim of the “CPPI is to provide an objective measure of container port performance, identify global or local trends in maritime container trade efficiency, and highlight where vessel time in port could be improved”.

Australian container ports have been measured by the CPPI and have been found to be giving short-measure.

What can be done about it?

Well, as the World Bank says in the report, the CPPI provides “actionable” insights into operational performance, capacity bottlenecks, resilience, traffic types, ownership, and geography.

“It enables stakeholders to identify structural inefficiencies, benchmark their performance against regional or global peers, and track the impact of external

shocks or policy interventions over time,” the report says, adding that ports that have scored well over the period have “often” combined investments in digitalization, 24/7 operations, and streamlined coordination with customs and logistics partners.

It adds that “ports of all sizes can achieve performance when well-managed, with optimal crane deployment, and process efficiency”.

These are all good options to look into.

But which action would be best to action?

We don't know what we don't know

Donald Rumsfeld, a former US Secretary of Defence, made a rather profound philosophical statement about the nature of knowledge back in February 2002. Unfortunately, he was rather unfairly pilloried for his comment, even though it was a well-known concept used in US Defence circles.

And it was this: “reports that say that something hasn't happened are always interesting to me, because as we know, there are known knowns; there are things we know we know. We also know there are known unknowns; that is to say, we know there are some things we do not know.”

In relation to Australian container port performance, we are definitely deep into Rumsfeldian epistemology.

We know there has been a lot of investment into the Australian containerised seaport sector in recent years. We know, for all the reasons given elsewhere in this Annual Review, that the World Bank's Container Port Performance Index is very robust, provides good actionable insight, and that criticisms of it can be dismissed. We also know that Australian container port performance is poor compared to world peers and is getting worse. We also know that the rate of increase in poor performance is slowing down. To put it simply: Australian container ports are generally getting more bad but less fast.

What we don't know can be summarised by the word “why?”

Why? Why? Why? Why? Why?

Why did Australian container ports underperform the global average in 2024?

Why have they underperformed the global average every year since 2020?

Why is that rate of decline in performance slowing down? Does it suggest we are heading towards inefficiency maximisation?

Why is investment not boosting productivity?

Why is the Australian container port sector so resistant to criticism in comparison to other sectors that attempt to improve after receiving valuable criticism?

There's another few things we know we don't know. Where's it all going to end? Is performance going to keep getting incrementally worse every year relative to the rest of the world? Will it get to the point where international trade simply cannot be serviced in Australia in good enough time at a reasonable enough cost? Will that continue to the point that ordinary everyday Australians suffer ongoing harm? Because that does appear to be where we are heading if the current trajectory continues.

This costs

Here are some more things we know.

Poor port performance adds delay, burden, and expense to our imports and exports.

This costs. It costs shipping companies. It costs importers. It costs exporters. It costs ordinary everyday Australian families and businesses cold, hard, cash, because, ultimately, it is they who pick up the bill.

And when you multiply these costs up by the number of goods, ships, ports, port calls, then that is a lot of cost that you, your family, your friends, your stakeholders, and your business partners are all paying.

Everyone, everywhere, in Australia is paying a port inefficiency tax.

Unlike real taxes, we can't even say that any money goes into improving the public good. It's not like the monies foregone are being used to build or maintain roads, to fund kids' education, or to help return sick Australians to good health.

There's a word for the situation when you're unnecessarily consuming time, effort, and resources to no great benefit.

It's “waste”. It's just waste, pure and simple.

That waste is making Australians poorer, and their lives harder, than it otherwise would be.

And for what? Who benefits from this waste? Who benefits from this inefficiency? Who should be accountable for it? Are we moving into a period of structurally imposed, low-performance, equilibrium that delivers ongoing harm to the Australian economy and to the Australian people? Why is this being tolerated?

We need answers

Australia needs to know why our container ports perform so poorly relative to their international peers, because then, maybe, what needs to be done will become obvious.

This needs to happen because Australian containerised seaports themselves clearly cannot, or will not, tackle underperformance. They don't even recognise or admit their underperformance despite clear evidence of it. It is therefore time to do some probing. It is time to lift the rock and see what scurries away.

Shipping Australia calls upon the Federal Government to carry out an inquiry into Australian container port productivity and inefficiency.

It is the next and most necessary step if we want Australians to prosper in a competitive world.

To do otherwise risks national decline and stagnation.

That is all. ▲

How far can electric ships go?

By JORDAN GLANVILLE,
CEO & co-founder of Oceon Energy. Re-published with permission.

The question I get more than any other on maritime electrification is simple: how far can electric ships actually go?

It sounds like a simple question, but it is far from it. Ships come in every size you can imagine, from small workboats up to floating cities. Their energy needs vary just as much. In practice, two things tend to set the limits.

First, economics. At what point does the cost of batteries and electrification outweigh the cost of other fuels. Second, the technical side. How much battery storage you can install on a vessel without compromising how it operates, either through lost space or too much weight.

Large ships tend to be fairly forgiving on the technical front. They have volume. They already manage huge weight changes through cargo and ballast. Adding battery mass is far less disruptive than it may seem at first. Smaller vessels feel those penalties sharply, so for them the technical constraint bites earlier. For medium and large commercial ships, the real limiter today is mostly economics.

Both factors are improving fast. Battery costs have dropped by roughly 90 percent in the past decade and keep dropping, energy densities continue to climb, and the sizes of marine battery installations have grown rapidly. The first modern electric ferry, MV Ampere, launched in 2015 with a 1 megawatt hour (MWh) battery. Today we have vessels in the water with 40 MWh (Incat China Zorilla), and plans around for 100 MWh and above. For context, a 100 MWh battery is roughly equivalent to the energy storage of about 1,500 electric cars, or a grid scale battery energy storage system (BESS).

That is a 100x increase in just over a decade, and the trajectory is still accelerating upward.

So what does that mean for range?

Let's take 100 MWh battery as a reasonable near-term figure for a large electric vessel. Most early electric vessels have been passenger ferries on 40 to 60 nautical mile routes. They run fast because time matters, and fast ships demand a lot of power. Getting back to some fundamentals of naval architecture, resistance (or power required to move the ship) scales roughly with the cube of speed, so even small increases create large jumps in required power.

Take a 150 metre long ship, a size that could move about 1,100 shipping containers or roughly 30,000 tonnes of bulk cargo. Broad power requirements across the speed range look like this:

At 30 knots (as a high speed ferry may transit), the ship demands about 30 megawatts or the same power as about 15,000 houses. Slow that same hull to 14 knots, as is common for feeders and coastal traders, and the range increases by a factor of four to six.

This is what starts to open genuinely useful distances. A 100 MWh battery that might give a high-speed ferry about 100 nautical miles of range could push a cargo vessel close to 500 nautical miles or almost 1,000 km. That's Melbourne to Sydney, Rotterdam to Oslo, Shanghai to Nagasaki. For the right trades, that is operationally meaningful. These are the sort of use cases envisaged by the excellent MMMCZCS study on the topic: [Link](#).

Large ships are also extremely efficient movers of freight. That same 150 metre 1,100 container feeder vessel could travel around 1,000 km on 100 MWh of energy. Broken down, that is about 90 kWh to move a container from Melbourne to Sydney. That is less electricity per 30-tonne container than a passenger vehicle would use to move a single person the same distance.

We are already seeing this effect play out with real vessel plans. Bibby Marine's eCSOV carries about 25 MWh and achieves roughly 130 nautical miles of range on battery. It still carries fuel for hybrid flexibility, but the battery covers a full operational day with one offshore recharge overnight. Scale that same concept to 100 MWh and the range extends to 500+ nautical miles.

The broader trend is clear. As batteries get cheaper and larger, the number of viable vessel types grows. Ferries led the early wave, but interest is now expanding into tugs, offshore vessels, transhippers, coastal traders and other commercial segments.

We are always very clear that electrification can't do everything. For the foreseeable future, there will always be a need for liquid or gaseous fuels for long distance shipping, although we are seeing a growing trend of hybridisation in many vessel classes. Electrification is a natural partner to all fuel types. What we do think though is electrification will do much more than we currently expect.

So how far can electric ships go? The answer keeps shifting. A decade ago it was tens of nautical miles. Today it is hundreds, and really we are still only just scraping the surface of what is possible. For many vessels, the range already covers most of their operational profile. Add hybridisation and offshore charging and the limits move again.

Electric ranges that once seemed out of reach are now becoming workable for real commercial operations. The challenge is moving from ship capability to the energy supply infrastructure, which is precisely the gap we are targeting at Oceon Energy. ▲



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- Marine engineering
- Emergency towage
- Marine pollution
- Hazardous materials management

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We have undertaken large scale projects in port and offshore that include;

- Removal of fire damaged jack up rigs from oil fields
- Fire damaged bulk carriers within port limits



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In the South Pacific, shipping and logistics can be more about mental gymnastics. The conditions are often variable, and unpredictable. Quickly adapting to day-to-day change is part of what we have to do. We call it 'flexagility'.



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- Seamless connections with tried-and-trusted transshipment partners to an entire archipelago of outports (and the wide world beyond)
- A full range of excellent supply chain management services

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