

*We are what we repeatedly do; excellence, then, is not an act but a habit.*  
—Aristotle

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## COSCO shipping to acquire OOCL

China's Cosco Shipping may be about to announce that it is to acquire Hong Kong-based carrier OOCL.

In January, reports surfaced of a \$4bn price tag put on the container line by Orient Overseas (International) Limited as the Chinese state-owned line, French carrier CMA CGM and Taiwanese line Evergreen were touted as potential bidders.

Subsequently OOCL joined with Cosco, CMA CGM and Evergreen in the Ocean Alliance and saw volumes and revenues improve in the first quarter, year on year.

But the gap between the top tier of carriers has widened after a spate of Merger & Acquisition activity in the past two years, leaving OOCL with just a 3.3% global market share, according to Alphaliner data, competing against Maersk Line's 19% (including Hamburg Sud), MSC's 14.7%, CMA CGM's 11.1% and Cosco's 8.3% share of the container market.

Nevertheless, OOCL has done what it can to match its bigger peers and in 2015 placed an order with Samsung Heavy Industries for six 20,000 teu-plus ultra-large container vessels (ULCVs).

In the frenzied liner Merger & Acquisition activity – induced by heavy industry losses – Cosco was merged with compatriot state-run China Shipping Container Lines; CMA CGM swallowed up Neptune Orient Lines; Hapag-Lloyd merged with UASC; and Maersk Line is in the process of acquiring Hamburg Sud.



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# DAWR (Quarantine) concerns...



## FCL/LCL Packing Declarations

The FCL/LCL Packing Declarations required for sea shipments has now been in place for a little over a month. The transition with international suppliers has been relatively smooth, however, if you experience any difficulties or have any questions on the correct format, please contact our Customs/Quarantine section for assistance

*If you would like to discuss or clarify your current processes, please contact our Customs/Quarantine section.*

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## Wellcamp International Airport

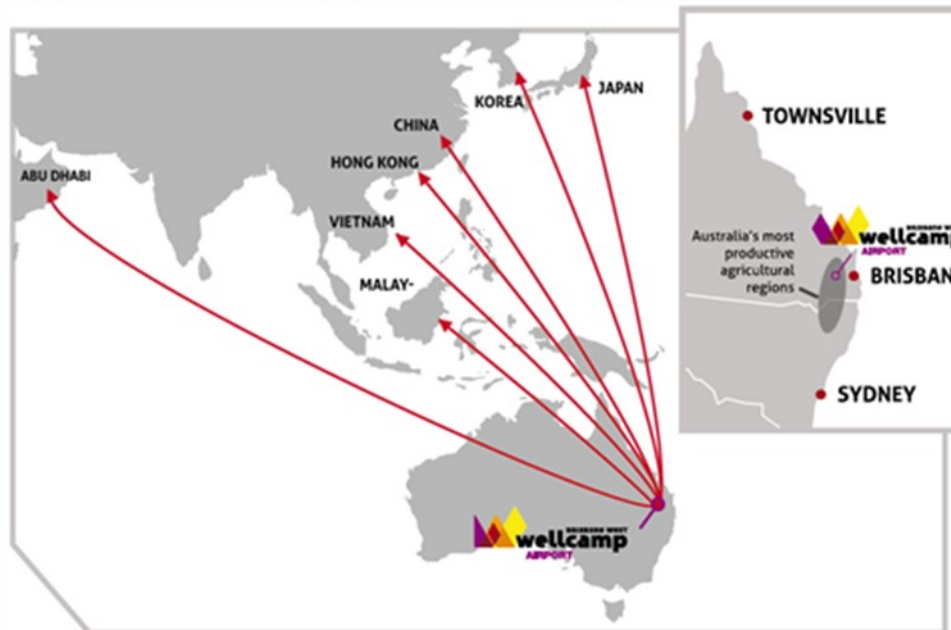
Cathay Pacific says its weekly freight flight connecting Toowoomba's Wellcamp Airport, west of Brisbane, with Hong Kong is back on track after several disruptions that had developed back over Christmas and the Lunar New Year.

It has been a slow start for the service, but cargo manager Nigel Chynoweth is confident that interest from the agricultural sector will expand, along with the surprise demand from the mining industry.

The Wellcamp freight service is one of only two dedicated freight services out of Queensland — Brisbane airport has not had a dedicated freight service for some years, while Qantas operates a service out of Cairns.

Hong Kong is a popular export gateway to Asia, with Cathay Pacific operating 22 routes into China from the hub, along with trade routes into Korea and Japan.

"There are a lot of benefits to using the freighter because it doesn't have the limitations of a passenger flight with dry ice," Mr Chynoweth said.



## DP World Australia on the move with expansion...

Port and terminal operator DP World Australia has placed an AUD 60 million (USD 45.5 million) order for four new Post-Panamax container cranes in an effort to **“boost productivity and capacity through its east coast operations.”**

Scheduled for delivery in October 2017, the cranes will be built by Shanghai Zhenhua Heavy Industry Co., Ltd. (ZPMC).

DP World Australia said its Brisbane and Sydney terminals will receive one additional crane each, and the Melbourne terminal will receive two new cranes.

In September 2016, DP World Australia was awarded seven of nine port calls on the A3 consortium’s Asia to Australia service, which connects the east coast Australia ports of Brisbane, Sydney and Melbourne with Asia. The additional services are expected to bring an additional 100,000 containers through DP World Australia per year. The A3 consortium includes, OOCL, ANL and COSCON

The port and terminal operator revealed also in September this year that Swire Shipping’s Papua New Guinea (PNG) and Pacific Islands (PI) service will return to its Brisbane and Sydney terminals.



Image Courtesy: DP World Australia

## Australia’s Top 10 Exports

The following export product groups represent the highest dollar value in Australian global shipments. Also shown is the percentage share each export category represents in terms of overall exports from Australia.

Ores, slag, ash: US\$48.9 billion (25.8% of total exports)

Mineral fuels including oil: \$47.5 billion (25.1%)

Gems, precious metals: \$15.8 billion (8.4%)

Meat: \$8.3 billion (4.4%)

Cereals: \$5.1 billion (2.7%)

Machinery including computers: \$4.9 billion (2.6%)

Inorganic chemicals: \$4.7 billion (2.5%)

Optical, technical, medical apparatus: \$2.9 billion (1.5%)

Aluminum: \$2.9 billion (1.5%)

Electrical machinery, equipment: \$2.7 billion (1.4%)



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### Australian airport security upgraded

Australian travellers have faced major delays at airports after security measures were ramped up following the discovery of an alleged terror plot involving a plane.

Prime Minister Malcolm Turnbull said authorities uncovered and disrupted a terror plot to bring down an aircraft using an "improvised device".

International and domestic passengers have been advised to allow extra time for screening and to limit their carry-on and checked baggage, but there have been no official changes to baggage restrictions.

Transport Minister Darren Chester said additional security measures had been put in place at all major Australian airports in coordination with counter terrorism raids in Sydney over the weekend.

"Some of these measures will be obvious to the travelling public, other will not. The increased measures will include additional checks of cabin and checked baggage," Mr Chester said.



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