



**CARGO NETWORK INTERNATIONAL PTY LTD**  
International Transport and Customs Brokers

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- Export Freight
- Customs & Quarantine
- Warehouse Storage
- Documentation
- Track and Trace

# November 2019

## New Gantry's for Hamburg Port...

Germany's Port of Hamburg has received three new gantry cranes that would provide the port with additional capacities for handling 23,000+ TEU ultra large container vessels (ULCVs).

The three cranes for the Container Terminal Burchardkai (CTB) of the Hamburg Port and Logistics AG (HHLA) arrived on November 5, 2019.

They reached the provisional berth at Athabaskakai after a journey of almost eight weeks aboard the special vessel Zhen Hua 27. There, they are prepared for the extinguishing process before the Zhen Hua 27 arrives at the final location at mooring 6 in the Waltershofer harbour.

The new bridges of the manufacturer ZPMC replace at the CTB three smaller units that have already been dismantled. In the first quarter of 2020, HHLA expects two more large container bridges of the same type. Following the gradual commissioning of the new handling equipment, HHLA has an additional large ship berth at Burchardkai.

Last year, the number of shipments of large containerships with a capacity of 18,000 to 22,000 TEU increased by 47 percent to 150 at the port. This trend continues – in the first half of 2019, the number has once again grown by almost 40 percent.

The investment in new gantry cranes is part of an expansion program at CTB. In addition to new gantry cranes and other handling equipment, these include the creation of new storage blocks and the expansion of the container terminal in 2019. HHLA plans to invest about EUR 1 billion (USD 1.1 billion) by 2022, of which around EUR 450 million is to be used for container handling.



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### Cargo Network International

- Australian Owned & Operated
- Established 1995
- Recognised Australian Trusted Trader

## On January 1, 2020 (IMO) will impose new emissions standards designed to significantly curb pollution produced by the world's ships.

For some of the world's biggest oil producers, the new rules coming into force represent a source of great concern.

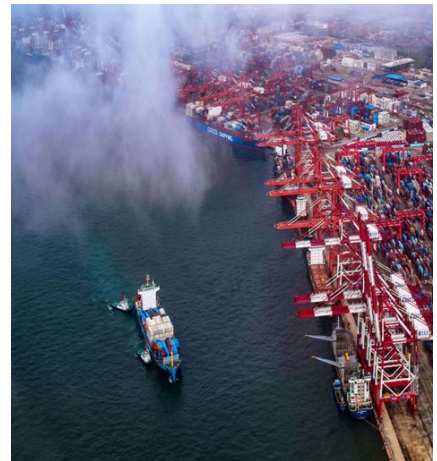
Maritime transport is critical to the global economy, with more than 90% of the world's trade carried by sea, according to the United Nations (UN).

- ⇒ Amid a broader push toward cleaner energy markets, the IMO is poised to ban shipping vessels using fuel with a sulphur content higher than 0.5%, compared to the present upper limit level of 3.5%.
- ⇒ The most commonly used marine fuel is thought to have a sulphur content of around 2.7%.
- ⇒ CNBC takes a look at those best placed to cope with the rule change, as well as those likely to struggle with what has previously been described as the "biggest change in oil market history."

The shipping industry is under intense pressure to slash its sulphur emissions because the pollutant has a negative effect on human health and is a component of acid rain — which harms vegetation and aquatic species.

A study on the human health impacts of sulphur oxides, published in 2016 and cited by the IMO, estimates that over 570,000 premature deaths will be prevented between 2020 and 2025 by the introduction of new shipping regulations.

It claims a reduction in the limit for sulphur fuel oil used by ships will have "tangible health benefits," especially for coastal communities or those living near major shipping routes.



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## Sydney—2nd Airport Update

Sydney is Australia’s primary aviation gateway, accounting for around 40% of international services, 43% of domestic services, and 45% of international air freight. The demand for flights in the Sydney region is forecast to double over the next 20 years, beyond the capacity of Sydney (Kingsford Smith) Airport.

Airports are critical economic assets. Constraints on Sydney’s airport capacity would increase the cost of accessing Sydney, with a significant negative impact on Australia’s economy and national productivity.

Western Sydney Airport will be a full-service airport catering for domestic and international passengers, as well as freight services, initially with a single 3,700 m runway and facilities for 10 million passengers per annum. Construction commenced in 2018 and the airport is scheduled to open in 2026.

Western Sydney Airport will be developed in stages as demand grows. A second runway will be added when needed. In 2063, the airport is expected to accommodate approximately 82 million passengers annually.

### CNI Projects:

CNI recently completed an interesting move of two (2) large Citrus Harvesters.

The Project required the machines being partially dismantled to reduce the impact and costs of shipping breakbulk cargo. The dismantled components were shipped in containers.

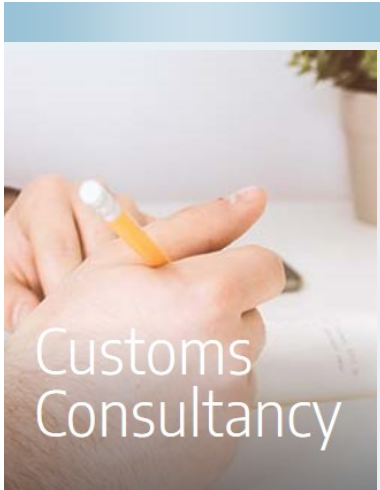
Project Coordinator Dan Duignan said “factoring in the dismantling process with vessel scheduling around Brown Stink Bug season takes a lot of preparation – you have to build in to the process a set of contingencies to cater for a number of potential scenarios.

Having a clear plan; clear communication; and clear accountability is essential.”

For any Project and/or Out of Gauge cargo shipments, please contact our Project operations.

Click on the link below to see a Harvester in action.

[Citrus Harvester](#)



## Airfreight Profit Margins...

### *USA and China trade war fallout*

**AIRFREIGHT** profit margins continue to be buffeted by the intensifying trade war between the USA and China, tumbling export orders since September 2018, and stagnant global trade.

Air cargo operators trying to increase their profitability amidst an unpredictable global economy and political unrest, such as the Hong Kong protests and Brexit – in key cargo markets, will not be surprised by the depressing data from the International Air Transport Association (IATA).

Demand, measured in freight tonne kilometres (FTKs), decreased by 4.5 per cent in September 2019, in comparison with the same period in 2018 – marking the eleventh consecutive month of year-on-year decline in freight volumes, the longest slowdown since the global financial crisis in 2008, IATA reveals.

Freight capacity, measured in available freight tonne kilometre (AFTKs), rose by 2.1 per cent year-on-year in the month. Capacity growth has now outstripped demand growth for the 17th consecutive month, says the association.

The US-China trade war continues to take its toll on the air cargo industry. October's pause on tariff hikes between Washington and Beijing is good news. But trillions of dollars of trade are already affected, which helped fuel September's 4.5 per cent year-on-year fall in demand.

Asia-Pacific airlines saw demand for air cargo contract by 4.9 per cent in September 2019. The US-China and South Korea-Japan trade wars, along with the slowdown in the Chinese economy, have significantly impacted this region. More recently, the disruption to operations at Hong Kong International Airport – the largest air cargo hub in the world – brought additional pressure. With the region accounting for more than 35 per cent of total global FTKs, this performance is the major contributor to the weak industry-wide outcome.





## New Australian Industrial Chemicals Law

The [Industrial Chemicals Act 2019](#).

This law creates a new regulatory scheme for the importation and manufacture of industrial chemicals in Australia (to replace NICNAS) from 1 July 2020.

The new scheme is the result of a reform process to improve the regulation of industrial chemicals in Australia.

The main purpose of the new scheme will remain the same — to help protect the Australian people and the environment by assessing the risks of industrial chemicals and providing information and recommendations to promote their safe use.

The new scheme has been designed to be a more risk proportionate regulatory scheme, while maintaining Australia's robust health, safety and environmental standards.



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*“Even if you are the right track, you’ll get run over if you just sit there.” – Will Rodgers*

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## Australian Border Force— cutting-edge 3D scan technology rolled out

The Australian Border Force (ABF) and the Department of Home Affairs have installed a new high-tech 3D scanning machine at the Melbourne International Mail Gateway Facility, bolstering the ABF's ability to detect prohibited items – including explosives – arriving through the international mail.

The machine, known as a 3D Computed Tomography (CT) scanner, will be trialled until March 2020. The trial forms part of a larger \$294 million Government security initiative to strengthen security at airports, international mail and air cargo facilities.

The initiative was announced in 2018, following the successful disruption of a terrorist plot against Australian aviation in 2017.

The CT scanner is designed to assist in the automatic detection of security threats, and is also internationally certified as an Explosive Detection System.

The use of 3D CT scanners at airports has been rising worldwide, including in Australia. This is due to their improved automatic threat recognition algorithms, enhanced imaging information and the ability to interrogate captured images in both a 2D and 3D view and advanced image manipulation capability.

Technology upgrades aim to effectively address the increasing sophistication of explosives and other threats being detected within mail and cargo screening.

In addition to the ABF's efforts, the Department of Agriculture is simultaneously trialling a similar model of the CT scanners to screen for biosecurity threats at the border.



# Free Trade Agreements

*Free Trade Agreements contribute to greater economic activity*

Free trade agreements contribute to greater economic activity and job creation in Australia, and deliver opportunities for big and small Australian businesses to benefit from greater trade and investment. FTA's don't just reduce and eliminate tariffs, they also help address behind-the-border barriers that would otherwise impede the flow of goods and services; encourage investment; and improve the rules affecting such issues as intellectual property, e-commerce and government procurement.

From January 1, 2020 99% of Australia's current Free Trade Agreements will be in full effect.

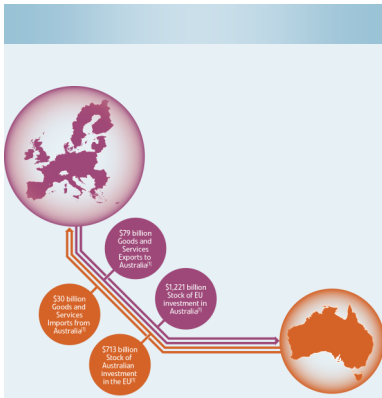
With the exclusions to Excise Equivalent Goods (EEG's) very few commodities will incur Import Duty from 2020.

Of course, there are certain conditions to be met subject to the requirements of each Free Trade Agreement, such as Certificates of Origin etc.

On this basis, FTA's have significantly reduced the need for Tariff Concession Orders (TCO's).

**One important point to note, FTA's do not limit the impact of Anti-Dumping and/or Anti-Countervailing duties.**

It is expected Australia will sign-off shortly on the following FTA's:  
Indonesia; Hong Kong and Peru



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## Cargo Network International Christmas Function

CNI Management and staff sat down recently to review the end of year Christmas function.

In light of the catastrophic bush fires being experienced by rural Queensland (and Australia as a whole) it was decided to cancel the function and donate all proceeds to the bushfire appeal.

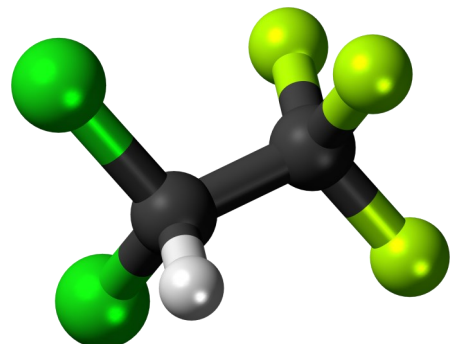
*“With so many families struggling to just survive, it was a small way we could show our understanding and support to others experiencing such hardship.” – CNI staff*



## Rules for importing hydrochlorofluorocarbon (HCFC) equipment are changing on 1 January 2020

- From **1 January 2020** importing all types of HCFC equipment (including, for example, HCFC aerosols and HCFC fire protection equipment) will be banned, except in certain circumstances. This includes all equipment that uses HCFCs, even if it does not have gas in it at the time of import.
- From **1 January 2020**, an equipment licence may be granted for import of HCFC equipment only in limited circumstances.
- From **1 January 2020** low volume imports of HCFC equipment without a licence will no longer be allowed.

Details can be located at: [environment.gov.au](https://environment.gov.au) or [ozone@environment.gov.au](mailto:ozone@environment.gov.au)



Cargo Network International Pty Ltd was established in 1995 and is a fully Australian owned company. The company directors identified a need within industry to provide a fully integrated international logistics service to Australian importers and exporters.