



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

## Your Specialist in:

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

# January 2020

## Shipping Fuel Regulation To Cut Sulphur Levels Comes Into Force...

Sulphur will be cut drastically from global shipping transport fuels in 2020, in a move that should reduce some forms of air pollution, and may help towards tackling the climate emergency – but which could also lead to a rise in the price of air flights.

From 1 January 2020, ships will only be allowed to use fuel oil with a very low sulphur content, under rules brought in by the International Maritime Organisation.

Moving to cleaner fuels will add substantially to costs, from an estimated \$400 (£303) a tonne for fuel oil today to as much as \$600 a tonne, according to the International Chamber of Shipping. Higher shipping costs will need to be absorbed throughout the manufacturing and transport supply chains.

The cost impact may also spread beyond shipping. Industry experts suggest there could be knock-on effects from the cap on sulphur emissions in marine bunker fuel could even wind up giving you a more expensive plane ticket in 2020.

Whilst we would all agree the need to reduce the sulphur levels in international trade is important, it does need to have a fair, consistent, and transparent formula for establishing this cost and not just a month by month adjustment that will vary from shipping line to shipping line.



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### Cargo Network International

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

## Australian Port Infrastructure fees...



In addition to the new sulphur emission fees Australian ports have increased the Port infrastructure fees. Some stevedores now refer to this fee as a “terminal access charge”. The infrastructure fees vary from Port to Port and can be as high as AUD 185.00 per TEU. Industry groups along with the ACCC have looked in to the way the fees are created – with little success.

While understanding the revenue pressures created for the stevedores by the consolidation of shipping companies and the trend to co-operation on routes, the ACCC assesses the growing landside revenue base to be a subject of concern and one “worthy of consideration by policymakers”.

And the regulator has consistently noted that those policymakers sit inside state governments given they have the call over the regulation of infrastructure, such as ports.

The ACCC noted, “The impact of the infrastructure charges will be felt by either transport operators, cargo owners or consumers, depending on the degree to which the cost can be passed on.”

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*Lithium Battery Cargo Mis-declared*

## Mis-declared Lithium Battery Cargo Caused COSCO Pacific fire...

The cause of the fire in one of the cargo holds of the giant containership COSCO Pacific is the spontaneous combustion of a lithium battery cargo, which was not properly declared, Chinese owned COSCO Shipping said in an update.

As indicated in the International Maritime Dangerous Goods Code (IMDG Code), batteries, regardless of the chemistry they use, alkaline, lithium etc, are characterized as dangerous goods due to their corrosive character. As such, they have to be declared properly in order to be stored correctly and avoid a fire hazard.

This is an extremely serious non-compliance and breaches within Australian Maritime law can lead to a jailable offence.

This will have an impact across all shipping lines in the way they deal with lithium batteries and Dangerous Goods as a whole.

### 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.

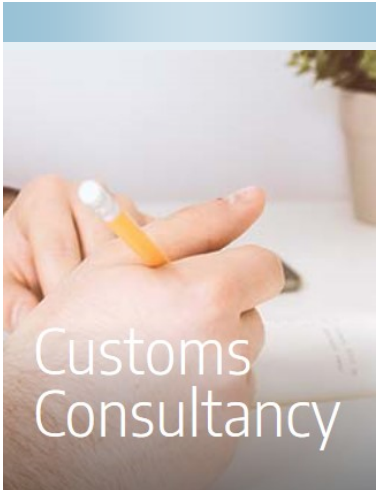
Project Coordinator Dan Duignan said “factoring in the dismantling process with vessel scheduling around Brown Stink Bug season takes a lot of preparation – you have to build in to the process a set of contingencies to cater for a number of potential scenarios.

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](#)



# New Australian Import Declaration Fees...

*Important Note:*

With effect January 1, Customs Import Declarations (Entry) have been adjusted with increased Quarantine Fees.

The Electronic Entry fee on Import Declarations that added up to \$194.00 per Sea freight Import Declaration has increased to \$ 201.00. There will be small increases to air freight import declarations.

ENTRY TOTAL									
ITOT	Customs Value	Trans & Ins	Deferred GST	Duty	GST	Dumping Duty	Sec Concess	Wood Levy	WET
13841.48	13841.48	5433.67	1907.51	0.00	0.00	0.00		0.00	0.00
CF	LCT	ACS Entry	ACIS Entry	ACIS Container	COUNT Duty	Customs Total	ACIS Service	Communication	Total Payable
19075.13	0.00	152.00	49.00	0.00	0.00	201.00	0.00	0.00	201.00

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## Chinese New Year 2020...

Chinese New Year falls on January 25 (Saturday) and the festival will last to 8<sup>th</sup> February.

However, from an international trading perspective, factories in China will start to close down from Saturday 18 January.

During this time there will be little to no contact with your suppliers/customers in China and any orders should be well organised prior to 18 January. This includes the necessary paperwork to effect Customs and Quarantine clearances at each end.

2020 is the year of the Rat.

The Rat is the first in the 12-year cycle of Chinese zodiac. The Years of the Rat include 1912, 1924, 1936, 1948, 1960, 1972, 1984, 1996, 2008, 2020, 2032...

Though people consider the rat not adorable, and it even makes its way into derogatory languages, it ranks first on the Chinese zodiac signs. It has characteristics of an animal with spirit, wit, alertness, delicacy, flexibility and vitality.



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*"I find that the harder I work, the more luck I seem to have." - Thomas Jefferson*

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## Bushfire Appeal... "Cargo Network International Donation"

Instead of having an end-year Christmas function, Cargo Network decided to support and donate to the bush fire appeal in support of those communities suffering from the devastation – of the magnitude never before seen in Australia.

Cargo Network donated the funds via Drought Angels

Established in 2014, Drought Angels is a charity with the enviable reputation of being recognized for their genuine heartfelt connection to and support of primary producers across Australia,

in their time of need and this resonated with our staff at Cargo Network.

In the past 12 months alone, Drought Angels have gifted more than \$5.7million in financial support to over 4000 farming families.

Cargo Network applaud the work Drought Angels do within our Primary Producers community and were humbled to be able to contribute through our financial contribution.

