

ACROSS BORDERS



GAME CHANGER – PORT OF MELBOURNE'S NEW RAIL PROJECT

FOOD SECURITY AMID COVID19 – THE HON. DAVID LITTLEPROUD MP
COVID-19 STATUS REPORT – THE ADVOCACY ROAD AHEAD
NATIONAL COVID-19 COORDINATION COMMISSION – CHAIRMAN MR. NEV POWER

“KEEPING AUSTRALIA’S INTERNATIONAL TRADE MOVING”



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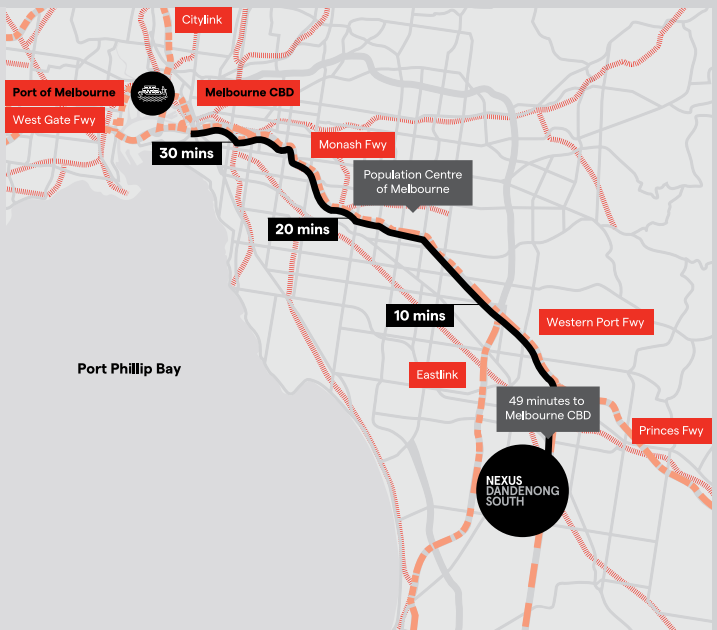
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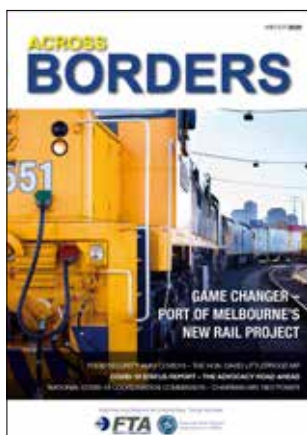
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ACROSS BORDERS

WINTER 2020



Trade Modernisation and a Bio-Secure border

It is a tremendous credit to our Federal, State and Territory governments who have successfully led Australia through the COVID-19 health crisis minimising the loss of Australian lives. While international and local lockdown measures have had a significant adverse economic impact, we also need to be grateful for the implementation of government financial relief measures.

We have also received overwhelmingly positive feedback from Freight & Trade Alliance (FTA) and Australian Peak Shippers Association (APSA) members in terms of our advocacy activities enabling a level of business continuity during this time. The myriad of achievements to date were only possible through genuine engagement with the National COVID-19 Coordination Commission, Australian Border Force, Department of Agriculture, Water and the Environment, Treasury, Australian Taxation Office and state-based freight authorities.

Despite the best efforts of all, there have been unavoidable impacts caused by the downturn in trade. In extreme cases, some businesses have been forced into administration. Many other members have been left with little alternative but to make redundancies, force staff to use leave entitlements and / or reduce days' of work.

As we ease out of restrictions, FTA / APSA has established an advocacy plan aimed at a sustained paradigm shift in government priorities in favour of shippers and logistics providers.

At a personal level, I very much look forward to joining industry leaders and the Hon David Littleproud (Minister for Agriculture, Drought and Emergency Management / Deputy Leader of the National Party) as member of the *Biosecurity Futures* advisory group. Giving an insight into trade modernisation and a Bio-secure border, a special note of appreciation is also extended to the Minister for his foreword in this Winter 2020 edition of *Across Borders*.

By PAUL ZALAI, Co-founder and Director,
Freight & Trade Alliance (FTA)



Food Security amid COVID-19

By the Hon. DAVID LITTLEPROUD, Minister for Agriculture, Drought and Emergency Management

Maintaining Australia's food security is one of the Government's top priorities and it's a key part of our \$320 billion of measures to deal with the economic impacts of COVID-19.

The COVID-19 pandemic has taken Australia and the world by surprise. Coming after severe drought and the bushfires earlier this year concerns have been raised about Australian food security. These concerns are understandable, but misplaced.

We know the importance of our agriculture sectors. Feeding our nation is an essential service. We want to ensure high-quality produce can reach domestic and overseas markets.

Australia is one of the most food secure countries in the world, for several reasons. We consistently produce far more than we consume. This means we can also contribute to the food security of other nations through exports. We export 70 per cent of our agricultural production.

According to the Australian Bureau of Agricultural and Resource Economics the seasonal outlook for autumn 2020 is positive, providing the basis of a recovery in Australian crop production and allowing for rebuilding of sheep flocks and cattle herds.



We're grateful to our farmers and all who work across the food supply chain to ensure our food security even in times of crisis, and we will continue to back our farmers and fishers to ensure they have the support they need during and after the pandemic.

The Australian Government has changed visa arrangements to allow Pacific seasonal workers, working holiday makers and a range of other visa holders to continue working (with strict health and hygiene protocols) to maintain food security through COVID-19. There are about 100,000 working holiday makers and 8,000 Pacific Island workers in Australia.

The Australian Government is also working closely with supermarkets and their brokers to fast-track border clearance of imported groceries during the COVID-19 crisis.

Uncertainties around the impacts of COVID-19 triggered a sudden increase in purchasing by consumers of a range of items, resulting in disruption to stocks of some basic food items in supermarkets. This disruption is not an indication of food shortages. Rather, it is a result of logistics taking time to adapt to the large unexpected surge in purchasing.

These impacts are already abating, while Australia's sophisticated supply chains are rapidly adapting. State-imposed border shutdowns will not affect agricultural supply chains. The trucks carrying food and produce will continue to get through to the shops. Feed, hay, fertiliser and other agriculture products will continue being delivered to farms.

We do not produce everything we like to eat however, and imports account for around 11 per cent of food consumption by value or 16 per cent of household consumption. These imports provide access to manufactured food and beverages, different varieties of some items, and out of season fresh produce. Streamlining the import processes for items such as frozen processed foods will help ensure supermarkets remain fully stocked.

The Department of Agriculture, Water and the Environment has placed dedicated people within its import assessment, bookings and inspection functions to enable critical supplies to be cleared faster without deviating from our strict biosecurity and imported food controls. This has been developed through close consultations with the major retailers as part of the Australian Government's Supermarkets Taskforce.

Maintaining productivity in our agricultural and fisheries sectors is one of our government's top priorities, and we will continue to explore ways to provide further assistance. We can take great comfort that this lucky country produces enough food to guarantee we will continue to enjoy the best produced products anywhere in the world.

COVID-19 has had a huge impact on everyone, but we will continue to back our agriculture and seafood sectors and ensure Australians and the globe can continue to enjoy our clean, green and sustainable produce. The government's \$110 million International Freight Assistance Mechanism is one of the initiatives to help exporters get their high-value produce into key overseas markets during this crisis.

In March I announced Mark Tucker as our Senior Agriculture Industry Engagement Officer to be the key liaison between my department and agriculture, fisheries and forestry stakeholders affected by COVID-19.

Mark has already been busy working with Commonwealth Departments and State Governments to ensure agriculture industry perspectives inform our decision-making. The position will give us regular status updates on key issues in this sector and it'll help us respond exactly where we need to.

I thank our farmers and all those working across the food supply chain for performing a great service to the community to ensure our food security remains as strong as ever. It's the agriculture sector that will lead our recovery.

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Australian Peak Shippers Association - Report from the Chair

\$300M+ stevedore charges annually paid by Australian shippers

By SEAN RICHARDS, APSA Chair / Executive General Manager - Visy Logistics

I am delighted to advise a decision from the Australian Peak Shippers Association (APSA) Committee of Management to maintain our low membership fees again for the 2020 / 2021 financial year.

“ *The status report highlights a combination of increased competition with a greatly reduced client base as being the catalyst for a restructure in stevedore terminal pricing.* ”



We trust that this decision will assist exporters in the current economic crisis whilst maintaining essential funding of our secretariat, advocacy and member support services.

Government response to supply chain costs

In line with our advocacy addressing “cash flow” relief measures for shippers during the current COVID-19 crisis, Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) welcome the announcement from the Department of Agriculture, Water and the Environment that the somewhat controversial *Onshore Biosecurity Levy* (previously referred to as the “Biosecurity Import Levy”) will not proceed.

In a federal government media statement released 20 May 2020, the Department of Agriculture, Water and the

Environment stated “*This decision has also been made in consideration of the ongoing impacts of drought, bushfires and COVID-19 on the Australian economy and the rapidly changing global trade environment.*”

This is a tremendous start in what needs to be a sustained paradigm shift in government priorities in favour of shippers. It is the efficient movement of goods that will lead our economic recovery and generate national wealth, not the welfare of shipping lines or infrastructure owners.

These are sentiments that FTA / APSA shared with the Hon Michael McCormack (Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development) in our submission titled STATUS REPORT - CONTAINER STEVEDORE IMPOSITION OF TERMINAL ACCESS CHARGES

Terminal Access Charges

The status report highlights a combination of increased competition with a greatly reduced client base as being the catalyst for a restructure in stevedore terminal pricing.

Specifically, the addition of a third major container stevedore in Sydney, Melbourne and Brisbane in recent years has added competition at a time when the number of clients, international shipping lines, has significantly reduced due to consolidation and increased utilisation of vessel sharing arrangements.

We understand that this has resulted in stevedores reducing the prices they charge shipping lines to attract and retain business. That lost revenue appears to have been the rationale for



STEVEDORE	PORT	EXPORT	IMPORT	EFFECTIVE
Flinders Adelaide Container Terminal	Adelaide	\$28.96	\$28.96	4-Mar-19
Australian Amalgamated Terminals (AAT)	Brisbane	\$38.70	\$38.70	8-Nov-18
DP World Australia	Brisbane	\$79.50	\$109.50	1-May-20
Hutchison Ports	Brisbane	\$50.00	\$50.00	19-Aug-19
Patrick	Brisbane	\$82.50	\$114.50	9-Mar-20
DP World Australia	Fremantle	\$45.00	\$45.00	1-Jan-20
Patrick	Fremantle	\$25.00	\$50.00	9-Mar-20
DP World Australia	Melbourne	\$79.50	\$125.00	1-May-20
Patrick	Melbourne	\$82.50	\$125.80	9-Mar-20
Victoria International Container Terminal (VICT)	Melbourne	\$121.80	\$121.80	1-Jan-20
DP World Australia	Sydney	\$79.50	\$112.10	8-May-20
Hutchison Ports	Sydney	\$63.11	\$63.11	18-Nov-19
Patrick	Sydney	\$82.50	\$114.50	9-Mar-20

stevedores recovering costs via landside Infrastructure Surcharges (now more appropriately referred to as “Terminal Access Charges”), an unregulated charge for access to international container terminals.

While not suggesting that there is any collusion amongst Australian stevedores, it is clearly a case of ‘follow the leader’ with each introducing a similar fee and taking turns to ratchet up the pricing.

Direct costs to shippers

The status report also incorporates a review completed by FTA / APSA of Terminal Access Charges for the 2019 calendar year using container number sources from the various Port Authorities with charges averaged across the stevedore-imposed fees. This exercise identified in excess of \$300m per annum are paid by shippers via this mechanism.

Government response

The following is a general summary of responses received by FTA / APSA to date from government:

ACCC – The ACCC’s focus has been on establishing a misuse of market power case noting there has to be a substantial lessening of competition as a result of the conduct of a business with substantial market power. The ACCC claim that they have not received evidence to date that would meet this threshold. The ACCC is finding it difficult to draw strong conclusions from the data they receive from their monitoring functions about how much of the cost burden should fall to the landside versus seaside.

As reported in the Autumn 2020 edition of *Across Borders*, FTA / APSA has also provided a detailed submission in response to the ACCC Discussion paper *Proposed Class Exemption for Ocean Liner Shipping* noting that the Line market consolidation plus the emergence of stevedore-imposed Infrastructure Surcharges has resulted in supply chain costs rapidly increasing, exposing significant deficiencies in the effectiveness of Part X of the Competition and Consumer Act in being able to achieve basic shipper protections. One of the nine recommendations from FTA / APSA is to mandate incorporation of stevedore fees within shipping line contracts, negating stevedore-imposed Infrastructure Surcharges administered on the transport sector.

VIC – Feedback from Freight Victoria and the Minister’s office indicates they are cautiously heading towards some form of regulation.

QLD – Disappointing, initial engagement with the Hon Mark Bailey (Minister for Transport and Main Roads) and the Director-General Department of Transport and Main Roads suggests that stevedoring services are not regulated by the state

WA – The office of Alannah MacTiernan (Minister for Ports) is actively engaging with FTA / APSA and appear to genuinely appreciate concerns raised.

NSW – FTA / APSA has had regular engagement with the Hon Andrew

Constance and the NSW Productivity Commissioner and remain hopeful of action from their review.

Unlike other states that would require new legislative provisions for intervention, NSW has at their disposal the *Ports and Maritime Administration Act Schedule 4* that provides a broad sweeping power to allow the Minister to regulate these charges without limitation.

FEDERAL - FTA / APSA acknowledges suggestions by some state government representatives of a statutory monitoring process to oversee further price increases but does not see this as an appropriate long-term solution.

Existing Terminal Access Charges are already excessive with incremental increases on this base to continue the devastating impacts on Australian shippers.

All businesses face a dilemma of how to deal with unavoidable costs such as rent, infrastructure, labour and power. Those same businesses are then forced to either absorb costs or pass them on to their commercial clients. Similarly, the position from FTA / APSA remains that stevedores should either absorb operating costs or pass these on to their commercial client. Shipping lines then have the choice to absorb costs or pass these onto exporters, importers and freight forwarders through negotiated freight rates and associated charges.

We look forward to our meeting with the Deputy PM whereby we will be recommending:

- regulation to protect transport operators and shippers by forcing stevedores to cease the practice of administering a Terminal Access Charge; and
- stevedores should be given appropriate notice to adjust commercial modelling allowing negotiations of charges back to shipping lines.

This outcome would allow market forces to take effect. An open and competitive environment will determine appropriate price for services without the need for further government monitoring or intervention.



COVID-19 Advocacy Response by Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA)

By PAUL ZALAI, Director & Co-Founder FTA, Secretariat, APSA

Exporters, importers, freight forwarders and customs brokers will need to facilitate trade to help Australia recover from the economic damage local and international lockdowns have caused. Importantly, the Australian federal and state governments will need to collaborate with industry to establish and agree a recovery agenda that prioritises investments, programmes and strategies that facilitate shippers' activities.

The following commentary traces the FTA/APSA **phase 1** COVID-19 crisis management activities (March to May 2020) and looks ahead at the **phase 2** trade recovery in the coming months and years.

COVID-19 PHASE 1 - CRISIS MANAGEMENT

ESSENTIAL SERVICES

If you cast your mind back to early March, we heard about the potential of a "lockdown". This was of significant concern as we did not know what it meant in real terms.

FTA / APSA quickly commenced a comprehensive campaign with ministers and government departments advocating for the entire international supply chain, including all parties from the importer and exporter through to the border (specific reference to freight forwarders and customs brokers) be treated as essential services. Furthermore, in an environment whereby our population was required to "self-isolate", we highlighted that "last-mile" deliveries by couriers and Australia Post, facilitated through e-commerce, would need to play an essential role.

Our approach was recognised in the *Transport and Infrastructure Council Communiqué* endorsed by all National, State and Territory Transport Ministers on 25 March 2020 that affirmed the critical role of trade and logistics.

AIR FREIGHT

Once we had a level of comfort that our members would be able to maintain business continuity, our attention turned to airfreight. FTA engaged with airlines, cargo

terminal operators and freight forwarders to support the sector that was being decimated with passenger flights rapidly winding up.

FTA / APSA established a COVID-19 AIR CARGO BULLETIN BOARD to support forwarders to build capacity to charter aircraft. The bulletin board service expanded over time with utilisation by airlines and government as the primary central portal of air cargo information.

More was needed to complement these initiatives, that led to FTA/APSA advocating for Federal Government funding to support traders of perishable goods reliant on air cargo to export to global markets. On the evening of 31 March 2020, contact was made by the advisor to the Senator the Hon Simon Birmingham (Minister for Trade, Tourism and Investment) who advised FTA/APSA that \$110m in airfreight support initiatives was to be provided to keep supply lines open for airfreight during the COVID-19 crisis.

CASH FLOW

The economic crisis translated to delays in payments of services throughout the supply chain. Focus turned to the need to make up front payments of statutory import charges before goods can be released from customs' control and the potential threat of congestion at our airports, ports and depots.

As a direct result of FTA / APSA advocacy to Treasury, the Australian Border Force (ABF) and the Australian Taxation Office (ATO), the Deferred GST arrangement was streamlined to turnaround applications (from up to 30 days down to as little as 3/4 days) with significant uptake by importers prior to the 30 April quarter cut-off. The ABF also developed solutions for duty deferral (beyond the existing Australian Trusted Trader arrangements) to be deployed on a needs' basis.

In parallel, FTA / APSA wrote to the Commissioner of Taxation on 20 April 2020 requesting a determination under subparagraph 5(1)(d)(ii) of the *Boosting Cash Flow for Employers (Coronavirus Economic Response Package) Act 2020* noting that many freight forwarder / customs brokerages make large payments of Duty, GST and Import Processing Charges on behalf of importers. These significant disbursements distort true



John Park (Head of Business Operations, FTA/APSA) interviewed by the ABC on 9 March 2020 "COVID-19 impacts on trade"

operating performance and take many small and medium businesses over the \$50 million turnover threshold outlined for the eligibility for Cash Flow Boost (and also jeopardising some members' eligibility to *JobKeeper*).

After extensive engagement with ATO executives, we received formal advice on 11 May 2020 that the statutory import charges that are passed on as an "agent" are not deemed as a supply made by the freight forwarder / customs brokerage and is not included in turnover. The result being eligibility for many members providing a level of welcomed financial relief.

MEDIA

Complementing use of our webinars, daily notices and weekly report, FTA / APSA commenced a regular (initially weekly) CORONAVIRUS TRADE REPORT collating intelligence and commentaries from local / overseas members and affiliations. Advice received from the office of the Deputy Prime Minister is that government regards this report as the most accurate and detailed reference source, a sentiment echoed by members and other industry stakeholders.

FTA / APSA has also been at the forefront of trade and mainstream media providing detailed commentaries on key issues aligned to advocacy strategies:

COVID PHASE 2 – TRADE RECOVERY BORDER AND BIOSECURITY

In recognition of FTA / APSA status as the peak industry body representing shippers' interests, I have been privileged to be

FTA / APSA media coverage during COVID-19 Phase 1 Crisis Management (Feb to May 2020)

12 May 2020	MHD Supply Chain News - Air cargo dominating passenger aircrafts
11 May 2020	Australian Financial Review - Ghost flights keep airport spirits alive
7 May 2020	Australian Financial Review - Hutchison seeks \$13,000 pay cuts for wharfies
6 May 2020	Daily Cargo News – Constance seeks pre-selection for Eden-Monaro
1 May 2020	MHD Supply Chain News - \$125m Port of Melbourne rail project on track
27 April 2020	Daily Cargo News - Minister disappointed by higher stevedore fees
24 April 2020	MHD Supply Chain News - Minister supports alliance's concerns of increased port fees
23 April 2020	The Import / Export Show – interview with Paul Zalai
21 April 2020	MHD Supply Chain News - Alliance welcomes new head of border and biosecurity
21 April 2020	Daily Cargo News - Constance calls for restraint on stevedoring charges
21 April 2020	ATN - Pressure mounts on stevedores over container access charging
17 April 2020	ATN - Shift in import compliance approach as container chaos looms
16 April 2020	Daily Cargo News - Container shortage fears with shipping lines predicted to cut services
8 April 2020	Australian Financial Review - Importers seek relief from port charges squeeze
31 March 2020	The Age - Unacceptable: Minister slams DP World's plan to hike import fees
31 March 2020	The Loadstar - More anger in Australia as DP World announces higher terminal access
17 March 2020	MHD Supply Chain News - Toll reaches an agreement with its Webb Dock employees
9 March 2020	ABC News – television coverage / interview with John Park
6 March 2020	Australian Financial Review - Virus is the "GFC for transport", truckies say
4 March 2020	The Loadstar – Australia's China-dependent economy starts to feel the effect of the virus
28 February 2020	MHD Supply Chain News - Coronavirus crisis leaving global supply chain in limbo

recently appointed to two executive boards: *Biosecurity Futures* chaired by the Hon David Littleproud (Minister for Agriculture); and the *Customs Advisory Board* chaired by Mr Michael Outram OAM (ABF Commissioner).

Through these forums, I will work collaboratively with government and industry leaders to make a positive contribution to a trade modernisation agenda, including a renewed focus on a "Bio-secure border". Trade digitisation and automation, cargo tracking, cost recovery and service performance measurement will undoubtedly be at the forefront of reforms.

SHIPPING

FTA / APSA notes a commentary in *The Loadstar*, in which the CEO of *SeaIntelligence Consulting* declared that during the COVID-19 crisis, the shipping industry had entered "a new competitive landscape" in which the era of "all savings and more" being passed on to shippers was over. He added: "In the three months impacted by the virus, demand has dropped, in some cases 20%-30%, and the oil price has dropped 60%-70%, yet freight rates are unchanged." "This is a very clear example of what you can do when you have a much more consolidated industry".

It may well reflect a mood in the shipping industry, bolstered by the renewal of the EU Consortia Block Exemption Regulation (CBER), that higher rates (or as they call it 'price stability') are available in the future.



In an Australian context, shipping line market consolidation plus the emergence of stevedore-imposed Infrastructure Surcharges has resulted in supply chain costs rapidly increasing, exposing significant deficiencies in the effectiveness of existing competition law in being able to achieve basic shipper protections. In response, FTA / APSA provided a detailed submission to the Australian Competition and Consumer Commission (ACCC), including 9 recommendations for reform, in response to the discussion paper *Proposed Class*

Exemption for Ocean Liner Shipping – the submission is featured on the FTA/ APSA web site's home page.

SUPPLY CHAIN

FTA / APSA position remains that a statutory monitoring process to oversee further price increases of stevedore-imposed Infrastructure Surcharges is not the answer. Existing prices are already excessive. Incremental increases on this base would continue the devastating impacts on Australian trade. Our regulators need to protect shippers by forcing stevedores to cease this practice. Stevedores should be given appropriate notice to allow negotiations of charges with shipping lines. FTA / APSA will continue advocacy for this outcome that would allow market forces to take effect. An open and competitive environment will determine appropriate price for services without the need for further government monitoring or intervention.

FINAL SAY

A continued focus of the FTA / APSA advocacy will be for a paradigm shift in priorities in favour of shippers. It is the efficient movement of goods that will lead our economic recovery and generate national wealth, not the welfare of carriers or infrastructure owners. We look forward to government respecting and prioritising the needs of shippers.



"KEEPING AUSTRALIA'S INTERNATIONAL TRADE MOVING"



Australian Peak Shippers Association Inc. (APSA)

JOIN THE ALLIANCE

2020/21 Premium Membership Benefits



Freight & Trade Alliance (FTA) is the peak industry body representing the international trade and logistics sector, achieved by bringing together major [importers](#) and [logistics providers](#) to form an influential advocacy alliance.

FTA also holds the Secretariat role for the Australian Peak Shippers Association (APSA) representing the interest of Australian [exporters](#) and working closely with other peak [industry associations](#) on matters of joint concern.

The FTA / APSA primary focus for the first half of 2020 has involved engagement with government and industry stakeholders in successfully achieving a variety of relief measures to support members in achieving business continuity during the current pandemic.

As outlined in our [Advocacy Status Report](#), we have mapped a plan for the year ahead aiming at a paradigm shift in

priorities to ensure the efficient movement of goods leading to Australia's economic recovery and generation of national wealth.

A strong alliance is vital to ensure that our voice continues to be recognised by government, across industry and the broader Australian community. To that end we have proudly made our Premium Membership open to all sectors of international trade including importers, exporters, customs brokers, freight forwarders, Section 77G Depots, Approved Arrangement premises & transport operators.

- FTA's Premium Membership rates are based on a scale of employees within a business / per ABN.
- Annual fee from time of subscription.
- Prices include GST

Less than 10 employees	\$847
Less than 30 employees	\$1089
Less than 50 employees	\$1391.50
Less than 100 employees	\$1754.50
More than 100 employees	\$2200

Aside from our core advocacy focus, FTA proudly offers the following member benefits

ALERTS – Complementing use of our webinars, daily notices and weekly report, FTA / APSA commenced a regular [Coronavirus Trade Report](#) in March 2020 collating intelligence and commentaries from local / overseas members and affiliations. Advice received from the office of the Deputy Prime Minister is that government regard this report as the most accurate and detailed reference source, a sentiment echoed by members and other industry stakeholders.

ACROSS BORDERS MAGAZINE – FTA supplies a FREE quarterly member magazine providing the latest detail on emerging trade and government reforms (both in hard copy and electronically).

CPD – BORDER COMPLIANCE PROGRAM – FTA offers members discounts to our annual one-day conferences hosted between 1 April and 31 March to align with customs brokers' CPD requirements. Each event provides 24 CPD points and are hosted in Brisbane, Melbourne, Perth and Sydney. In addition, member forums are scheduled throughout the year for customs brokers to meet their CPD requirements.

Online CPD & CBC – FTA offers extensive material via [ComplianceNetFTA](#) with courses, resources and online assessment available at listed prices. FTA members are offered unlimited CPD and CBC content for a price of \$165 (incl GST) per person per accreditation period (1 April to 31 March). Further discounts are offered to businesses with multiple purchases with the option for an all-inclusive invoice for membership and training – price on application to info@FTAlliance.com.au

WISETECH ACADEMY – FTA is delighted to provide a new member benefit through our partnership with the WiseTech Academy. The Academy offers a range of high quality, cost effective courses designed and written by current industry experts to meet the specific needs of industry.

REAL TIME SUPPORT – FTA is an extension of your operational team – through our extensive network and access to key personnel across government and commerce, we can assist businesses with operational matters.

LEGAL SUPPORT – FTA supplies 30 minutes free legal support per issue from Hunt & Hunt Lawyers

TERMS & CONDITIONS – Exclusive to FTA members, for the one off payment of \$825 (incl GST) receive a clear, concise and legally robust set of trading terms and conditions designed specifically for customs brokers and forwarders; a template credit application; a template director's guarantee; a letter of authority; a template letter to use when providing the new terms to a client; a letter to you from Hunt & Hunt explaining how to use the pack of documents; updates to the documents due to legal developments.

INSURANCE SUPPORT – FTA supplies free insurance review & support from Logical Insurance Brokers

WORKPLACE / HR CONSULTANCY – FTA supplies hotline support via [Employsure](#)

BORDERWISE – FTA has a partnership arrangement with [WiseTech Global](#) delivering significant discounts on the benchmark tool used by trade professionals to manage trade compliance.

BRANDING – FTA provides members with access to its [logo](#) for use on stationery, email signatures & web sites.

DIRECTORY – FTA provides members' details on a directory listing increasing access to new markets

Membership forms are available at the [JOIN THE ALLIANCE](#) tab from the FTA website at www.FTAlliance.com.au

For further detail, please contact us on 02 99751878 or info@FTAlliance.com.au

NOTE: Due to COVID-19, our 2020 events were postponed to the below February 2021 dates, importantly remaining within the current 2020/2021 customs broker CPD period.

- Friday 5 February 2021 - 8.30am to 4.30pm - Novotel Sydney Brighton Beach Hotel
- Saturday 6 February 2021 - 8.30am to 4.30pm - Novotel Sydney Brighton Beach Hotel
- Friday 12 February 2021 - 8.30am to 4.30pm - Hyatt Place Melbourne
- Saturday 13 February 2021 - 8.30am to 4.30pm - Hyatt Place Melbourne
- Wednesday 17 February 2021 - 8.30am to 4.30pm - Novotel Brisbane Airport
- Saturday 20 February 2021 - 8.30am to 4.30pm - Hyatt Regency Perth

CBC - CONTINUED BIOSECURITY COMPETENCY – in this current accreditation period from 1 April 2020 to 31 March 2021 there will only be one CBC Activity (20-21/01) for Class 19.2 AEPCOMM accredited persons - scheduled for 4 August 2020. FTA will provide an online assessment at a cost of \$49.50 (incl GST).

BorderWise Single Window

Comprises Australian law, regulation and all relevant government departments' resources EXCLUDING the WCO HS (HSEN) notes & related content and global libraries for all countries.

Standard - A\$79.31 (incl GST)

CargoWise One user - A\$33.99 (incl GST)

FTA Individual or Premium Members - A\$22.66 (incl GST)

CargoWise One user & FTA Individual or Premium Members - FREE

BorderWise + Pro Pack

includes the WCO HS (HSEN) notes & related content

Standard - A\$113.30 (incl GST)

CargoWise One user - A\$67.98 (incl GST)

Premium Members - A\$56.65 (incl GST)

CargoWise One user & FTA Individual or Premium Members - A\$33.99 (incl GST)

BorderWise Global Entry

Comprises all WCO (HSEN) notes and related content & global libraries for other countries - content is published in English and will later include translations for non-English countries.

Standard - US\$206

CargoWise One User - US\$103

FTA Individual or Premium Members - US\$103



eLearning: a pathway to advancing your potential

By BILL MURPHY, Head of Operations for WiseTech Academy

The new reality of remote working brings an opportunity to take advantage of eLearning resources to upskill and advance your workforce's potential.

The impact of COVID-19 on our daily lives has been significant, on a personal and business level. None of us could have imagined we would be in a global pandemic situation. With a focus on ensuring community health and safety, many businesses have implemented remote working for their employees.

This rapid transition has left some companies unprepared. The office of filing cabinets containing documentation on customers and their shipments, and face-to-face meetings, is no more. Onboarding and training of new staff members now has added layers of complexity – how do you introduce them to an industry they might not be familiar with?

While for most of us working from home is our new reality, it does come with challenges. People that are used to communicating in person and exchanging paper documents are now entering the digital world of online meetings and file-sharing applications. We've been forced into a new way of working and aren't

really sure if things will ever go back to exactly how they were before.

But we still have work to do. We still need to onboard our staff, we need to keep our skills sharp, and we need to learn new skills. How do we do that in the current environment? If COVID-19 has taught us anything, it is that we need to take advantage of the opportunities available to us using the online tools we have on hand.

One of the opportunities of this new normal is turning the time saved on commuting to and from the office into learning time. A very popular online learning company that is 'linked' to a

business social network site has reported that the time spent completing online courses has tripled since before the start of lockdowns in January. More people are using online learning to develop new skills and sharpen their existing ones.

The same applies for industry-specific learning. Do you and your staff want to deep dive into specific topics? The supply chain industry, after all, is very complex and can differ from country to country. This has never been more evident as the industry grapples with customs regulation changes due to COVID-19. We all have questions that need some answers!

WiseTech Academy is at the forefront of providing high quality eLearning to the supply chain logistics industry with a range of nationally recognised courses and intensive short courses. A government accredited Registered Training Organisation, WiseTech Academy provides relevant and timely industry training.

Want a deep dive into Incoterms® 2020? We've got it. Need an intro to supply chain maths? You're covered. Want to hear about the export controls for personal protective equipment? We have a short course for you.

With a range of courses from foundation to nationally recognised programs, you can complete your learning for a fraction of comparable course fees. And because we believe in supporting the industry with quality resources, our foundation courses are free!

Providing relevant, high quality courses is our priority. We listen and respond to the needs of the industry, frequently meeting with industry experts and operators to discuss where the gaps in education exist, then develop courseware to fill those gaps. All WiseTech Academy courses are written by experienced industry operators, reviewed by third party subject matter experts, and designed and produced by our experienced teams, ensuring consistently high quality.

Not only is WiseTech Academy providing critical education for the supply chain and logistics sector, but we are also bringing a vision to life. It's no secret that WiseTech Global's CEO, Richard White, has a passion for education, particularly enabling people's knowledge in the technology and supply chain industries. WiseTech Academy is bringing that vision to life by providing high-quality education to the industry and creating an entry point for new starters.

While technology is becoming a popular career path for young people, logistics is often not considered. Teenagers are no strangers to online shopping, but they rarely think of how the products they buy online arrive to their door.

The career path portal on WiseTech Academy's website provides information for young people wanting to know more about life in the supply chain logistics sector. Featuring videos of young individuals who are forging careers in the industry, they tell stories about starting out in the industry, their successes, and what they love about their work right now. Each story is different, but they all agree that the industry is fast-paced and exciting for young people with drive and ambition.

If you're ready to advance your potential by providing yourself or your staff with some high-quality education, check out WiseTech Academy and contact us!

About WiseTech Academy

Established in 2018, WiseTech Academy is a wholly owned subsidiary of WiseTech Global. The Academy was established to offer accessible, affordable, online learning to the people who work in or with global supply chains. And to provide deep understanding of why and how the industry operates as it does, and how it could be made more effective and efficient. Our mission is to advance human potential by providing easy and affordable access to high quality online education, and in turn, enabling a strong and progressive sector for the global supply chain industry.

For more information about WiseTech Academy, please visit <https://wisetech.academy>

The WiseTech Academy is currently offering free access to some of its most current courses. This access is for a limited time and is for Freight and Trade Alliance (FTA) members who are also CargoWise users. CW users should login to the My Account page and navigate to the WiseTech Academy icon on that page.

Introduction to global supply chain security

The understanding of international security conventions, policies, and regulations are paramount to the mitigation and risk management in relation to security and safety in international freight forwarding and the greater supply chain.

This course is the first of five micro courses in this series designed for an operator with a logistics, international forwarding or brokerage business seeking information about international security programs.

Incoterms® 2020 Introduction

On 1 January 2020, the International Chamber of Commerce updated the Incoterms rules in response to changing trade practices, publishing Incoterms® 2020 to provide greater clarity in negotiations between international buyers and sellers.

This course is the first of three micro courses in the Incoterms series and explains how the 2020 terms should be applied in international trade.

The basics of air cargo forwarding

Air cargo operations are a major component of the world's export and import transportation services and continue to grow at rates exceeding any other transportation mode. This micro course covers the basics of air cargo forwarding and is an excellent introduction to the topic.

This micro course is the first of six micro courses in this series that includes courses on a range of topics including air cargo aircraft and ULDs, air freight consolidation, air freight documentation and air cargo rates and classifications.

TGA imports during the COVID-19 pandemic

The requirements of the Therapeutic Goods Administration (TGA) have not been a strong focus or seen as a major training requirement until now as there has been only a limited number of players in this field and they are both very experienced and aware of their legal obligations. This is not now the case.

This micro course provides an overview of the Therapeutic Goods Act requirements for urgent arrivals as a consequence of COVID-19. It is one of two micro courses in our COVID-19 series.



Keeping supplies moving during COVID-19 and beyond

By NEV POWER, Chair – National COVID-19 Coordination Commission

Who are we?

The Prime Minister announced the establishment of the National COVID-19 Coordination Commission (NCCC) on 25 March 2020. Our role is to coordinate advice to government on actions to anticipate and mitigate the economic and social impacts of the global COVID-19 pandemic.

We have five Commissioners engaging with specific sectors relevant to their expertise, to manage immediate issues and to help position them for recovery. Our role is to provide a channel for business, industry and the not-for-profit sector to raise issues with government or connect with other groups to find solutions. Paul Little, the former managing director of Toll Holdings, is leading the Commission's work on transport, logistics and supply chains.

The impact of COVID-19 is significant, and it will take business, government and all of us working together to recover. We have engaged with more than a thousand stakeholders in the business, industry and not-for-profit sectors and received countless insights and offers of support.

What's our progress to date?

During the initial stages of the crisis, we worked with industry and the government to address supply chain issues, including food and grocery supplies, particularly in regional and remote areas.

We responded to requests for assistance to unlock resources, break through bottlenecks and fix problems, and engaged with stakeholders on a wide



“ *The Commission has two key roles: to help minimise and mitigate the impact of the COVID-19 on jobs and businesses, and to facilitate the fastest possible recovery of lives and livelihoods.* ”

variety of issues. I received invaluable advice and recommendations from the Freight & Trade Alliance (FTA) and Australian Peak Shippers Association (APSA) on behalf of its 380 members.

The Commission has worked closely with government and industry stakeholders to overcome and, as far as possible, implement solutions to the concerns raised by FTA and APSA. For example, we've helped navigate transport restrictions and restrictions at ports.

We also supported the establishment of the International Freight Assistance Mechanism, which ensures high-value Australian agricultural exports reach recovering markets, with the inward return journeys bringing back vital medical supplies and equipment. The mechanism has committed to support more than 500 flights to the Middle East, Asia and the USA, transporting Australian seafood, dairy and pork.

There has been a lot of work on supermarket supply chains to get food supplies into the regions and remote communities, and we've connected laid-off airline staff with work in the health sector.

The NCCC has also worked to bring in essential personal protective equipment from overseas, both through usual procurement channels and Andrew Forrest's Minderoo Foundation.

What's next?

The Prime Minister has agreed a three-step plan and a national framework to achieve a COVID-safe economy and society.

The Commission is encouraging all Australian businesses to reconfigure and adjust and come up with a COVID-safe plan. All businesses will need to be able to reassure their staff and customers that they are managing the risk of coronavirus.

We have created an online planning tool to help business develop a plan to keep their workers, customers and the community safe as they reopen or increase their activities. The tool complements the Safe Work Australia online hub, which remains the definitive source of information for businesses to understand their work health and safety obligations. I recommend all FTA and APSA members take advantage of these resources.

We are currently identifying a set of priorities aimed at supporting a quick return to economic activity and growth. As part of this work Paul Little has been looking at the disruptions in supply chains and opportunities for investment in transport infrastructure.

It's been heartening to see the community spirit, commercial camaraderie and ingenuity in this sector's response to COVID-19.

The role that you all play – as importers, exporters, stevedores, air cargo terminal and transport operators, licensed depots, physical handlers of cargo, freight forwarders and customs brokers – has been and will continue to be essential to Australia's prosperity.

Thank you for ensuring that goods continue to flow onto Australian shelves, letters and parcels continue to reach our post boxes, and Australian producers can continue to export their goods.

I look forward to working to support you in the recovery phase and thank you for your enduring efforts during this challenging time.



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- Reduce queues, control traffic and optimize capacity planning
- Increase profitability from improved service levels
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Future-proofing South Australia's port and freight infrastructure

By STEWART LAMMIN, Chief Executive Officer - Flinders Port Holdings

At the start of 2020 Flinders Port Holdings and the state of South Australia were gearing up for a crucial year in infrastructure planning and development. The State's infrastructure body, Infrastructure SA, were due to publish South Australia's first state-wide 20-year infrastructure strategy, while we at Flinders Port Holdings would be completing the company's 50-year masterplan. But quickly, priorities changed. The onset of the COVID-19 pandemic forced businesses and governments alike to pause long-term planning and instead focus on the now.

In the intervening months we have implemented a group wide COVID-19 response plan, which to date, has enabled all our operations to continue. That does not mean we haven't been impacted. Across our business, from office based commercial roles through to our operational staff working at our ports, container terminal and logistics facilities, we have had to adapt.

The decision to send 70 employees to the safety of their homes was relatively easy and straight forward. The complex piece was the management of more than 600 employees whose workplace is the various outdoor operational sites including the container terminal, Berth 29 mineral precinct in Port Adelaide and at the seven ports we operate. The process of ensuring business and operational continuity while, most importantly, maintaining the health and safety of our people was a major undertaking. Plus, this had to be managed against a backdrop of public safety scrutiny on our industry and particularly the management of ships' crews and passengers coming into our various ports. This is a challenge that will resonate among our colleagues across Australia's ports, shipping, and logistics industry.

But as we transition back out of lockdown measures, we remain positive about the future. As a state, South Australia has dealt well with the pandemic and is well placed to return to business. The fact that the 20-year infrastructure strategy was indeed published this May is a sign of intent by the state, one we fully support. For Flinders Port Holdings, we are also looking to the future as we continue our master-planning

process. Around \$25 billion worth of trade is moved across Flinders Ports precincts each year, the equivalent of 24% of State GSP. We are proud of the role we play in keeping trade moving in the state and we are acutely aware of the responsibility it brings. We are a capital hungry business, but we have confidence in the future of our State, and we will continue to invest in our business as we have done over the past two decades.

Our priorities over the coming year are two-fold. First, we must ensure we continue to provide a seamless and consistent service to our customers within the 'new normal' of an operating environment where COVID-19 has abated but not disappeared. We have already rolled-out ongoing operational guidelines across the business focussed on keeping staff safe and operations open, even if transmissions do resurface.

But in parallel to this, we are also determined for the new normal not to stall the ambitious goal we have of strengthening and expanding our position not only as a port operator but as an end-to-end supply chain partner for our customers. Over the last year we have expanded our logistics offering by launching Flinders Warehousing and Distribution (FWD). Located adjacent to our facilities at the Flinders Adelaide Container Terminal, FWD specialises in providing tailored supply chain solutions including warehousing and transport, while the capacity to also provide customs and quarantine at the same site should also be finalised within the coming months. Coupled with our dedicated logistics

business, and our port and terminal services, we are building an offering that will enable businesses to drastically reduce the costs and complexities involved in importing and exporting.

Clearly, the next 12 months represents a challenging business environment. But, the ports, freight, and shipping industry has shown remarkable resilience. As a sector we have stayed open and operational and ensured vital goods have continued to reach their destinations. We believe this will continue, while the transition out of COVID-19 also represents an opportunity to reassess embedded business practices. Last month we pushed ahead with the publication of our first group-wide sustainability plan, setting ambitious goals across environmental, social, and governance work streams. Rather than being a sign to halt, we strongly believed the current pandemic is further proof of the need to push ahead with projects such as sustainability and master-planning. Both processes will help future-proof our business and ensure we remain ready to deal with any external impacts we may face. With this in mind, we are confident about the future and about our ability to deliver for the state and for our customers.





*South Australia's
leading port owner,
operator, and
logistics specialist.*

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**Flinders Adelaide
Container Terminal**

**Flinders
Logistics**

**Flinders Warehousing
& Distribution**

**Flinders
Ports**

New shipment signals new opportunities for the Hunter

For the first time since 2013, a roll-on roll-off (ro-ro) vessel is scheduled to call at Port of Newcastle with a commercial cargo.

The 200-metre Triton Ace – an impressive white and blue ‘floating car park’ capable of carrying up to 6500 cars – stopped in Newcastle on Friday May 8.

The shipment – the first of two ro-ro calls in two months – comes as the Port continues to diversify trade and provide more competitive supply chain alternatives for Australia’s importers and exporters.

Triton Ace will deliver a number of large pieces of mining machinery headed for customers in the local area.

Ro-ro ships are loaded and unloaded using ramps, enabling cars, trucks, heavy machinery and farming equipment to quickly move on and off the ship.

Port of Newcastle CEO Craig Carmody said the organisation was looking at ways to help stimulate the local economy as the region worked towards economic recovery and more diverse income streams.

“A lot of local businesses are doing things pretty tough at the moment. We are

committed to helping the region to grow and get people back on their feet as the recovery begins,” Mr Carmody said.

“There are thousands of people newly out of work and all of us need to look at ways we can create more jobs, more investment and a better economy than the one we started this crisis with.

“This is a small but important first step – the Port is open to any new trade opportunities.”

The Port’s Acting Executive Manager Business Development, Matthew Swan, welcomed the partnership with Höegh Autoliners and other supply chain partners.

“Together we are challenging the status quo and enabling freight to reach the final destination quicker, cheaper and more efficiently,” Mr Swan said.

“It makes sense for equipment heading to our region, whether the Central Coast, Hunter Valley or agricultural customers further afield in regional NSW, to come via Newcastle and reduce unnecessary truck movements.”

Höegh Autoliners is growing its Australian service and contributing to lower supply chain costs and the avoidance of obstacles to the freight of ro-ro cargo in the country.

Höegh Autoliners’ Australian Sales Manager, Nicky Colaço, said a regular service to Port of Newcastle would support its regional NSW and Hunter Valley based customers.

“With the capability to berth at the Port of Newcastle, it will not only help the company expand its shipping routes but also offer customers in the agriculture, mining and construction industry an alternate option to bring cargo closer to its destination,” Mr Colaço said.

Port of Newcastle has enlisted the services of veteran shipping consultant Richard Bailey, from Loch and Quay Consulting, to engage with industry and inform the Port’s planning and design as it seeks to diversify trade and support emerging markets.

“It is such an exciting time for Port of Newcastle, which is in the unique position of being able to plan for a suitable port landscape at a time when technology in vehicles, equipment, and the supply chain is evolving rapidly,” Mr Bailey said.

“Investment and planning now will ensure the Port emerges as a serious participant in this vital supply chain into the future.”

The next ro-ro vessel, Hoegh Trove, is due at Port of Newcastle on Sunday 12 July.



Höegh Autoliners’ service to Australia has two routings; one originating in Europe and calling South Africa and the Indian Ocean Islands before ending in Oceania. And the second routing sailing via the US and the Caribbean Islands on its west bound passage from Europe to Oceania. Cargo loaded in Australia is usually transhipped in Japan, China or Korea and destined for Europe, Africa and the Americas. Höegh Autoliners’ also delivered on consignment the first light rail carriage to Newcastle in 2018.



New empty container park at Port Botany creates supply chain efficiencies

NSW Ports continues to invest in the creation of sustainable and efficient port supply chains with the construction of a new 2.4 hectare empty container park at Port Botany.

Located within the port on Simblist Road, the new empty container park is leased by Tyne Container Services and will operate 24/7, providing a full service facility when it opens in June 2020. It adjoins the existing Tyne (MT Movements) container park to effectively 'super-size' the site, delivering an additional 5,000 TEU in empty container capacity.

NSW Ports CEO Marika Calfas said the decision to utilise the port land for empty container storage will deliver much needed empty container capacity to support growth and efficiencies in the container supply chain.

"NSW is an import dominant container market, which can lead to high demand for empty container storage capacity during peak seasons. We continue to invest in Port Botany to ensure its ability to efficiently and sustainably cater for trade growth, and through this development we have optimised the utilisation of existing land to create an additional 5000 TEU in container storage capacity to enhance the productivity and efficiency of empty container movements," she said.

Tyne Container Services Director, Aaron Powell said, "Through clever design and construction, we've been able to create further operational capacity and expand our ability to handle empty container volumes. The new empty container park will have capacity to handle both empty containers bound for overseas re-deployment as well as empty containers for re-use as full exports. This coordinated container movement means we can better service our shipping line customers and

we look forward to commencing our new operations in June."

Construction of the new empty container park was delivered by Ward Civil and took 4 months to complete.



About NSW Ports NSW Ports manages Port Botany and Port Kembla, key export and import gateways connecting to global markets, and the Enfield Intermodal Logistics Centre and the Cooks River Intermodal Terminal. NSW Ports is a private consortium of leading institutional investors: IFM Investors (including Cbus, HESTA and Hostplus), AustralianSuper, Tawreed Investments Limited and Q Super. Our shareholders represent over six million Australian superannuation fund members and are long term investors with interests in a range of Australian infrastructure assets.



Guidance in maintaining supply chains: TT Club's support during the pandemic

By PEREGRINE STORRS-FOX - Risk Management Director, TT Club

Naturally governments – both state and national – are desperately seeking to restore the consumer economy by tentatively easing social restrictions. The supply chain environment however remains significantly disrupted and operators continue to face many challenges. International freight insurer, TT Club seeks to guide them with advice for turbulent times.

“ *Extraordinary circumstances will often require innovative and exceptional practices.* ”



For those involved in import and export alike, the diverse governmental responses to the pandemic at home and around the globe have created a variable demand for goods, complex regulatory structures, and significantly changed trade patterns. While the current circumstances facing global supply chains and the operators that serve it are truly challenging, there is a strong need for carefully considered and pragmatic advice on real issues. TT Club with unique insight into the nature and extent of risk exposures drawn from over fifty years as a specialist freight and logistics insurer has compiled recommendations for mitigating measures that operators might find useful in combatting current challenges.

Contained within TT Club's frequently asked questions (FAQs)* housed on its dedicated COVID-19 webpage, together with risk briefings, the insurer sets out wide-ranging and detailed advice to freight forwarders, logistics and transport operators, carriers and cargo handlers on matters of safety, security and liability unusual to the current situation.

Among the expanding list of questions dealt with by TT Club's FAQ service, the issue of cargo abandonment could be particularly salient to many. There is likely to be an increase in the abandonment of low value cargoes in containers, either delayed in transit or for which a market is no longer available. Once cargo is abandoned, there is a range of operational, legal and potentially regulatory challenges for all stakeholders in the supply chain. Where cargo is already generally

accumulating at terminals, depots and warehouses, space may well be at a premium. Whilst contractually there is a mechanism to recover costs incurred or chargeable in relation to cargo that becomes abandoned, often the shipper and consignee are difficult to track and may have few material assets, making recovery costly, time-consuming and complex.

Stakeholders should, in 'normal' circumstances, employ a sound record keeping regime. At this time more than ever good management controls should be in place to monitor the arrival, clearance and collection of cargo at destination. Issues can then be identified at the earliest opportunity. The general guidance is to act as soon as the situation manifests itself.

The advisability of altering the terms of Standard Terms and Conditions (STCs) and bills of lading in order to protect against specific pandemic liabilities is also an issue of common concern. The terms of most bills of lading have substantial commonality and are linked to generally well-established statutory or case-law principles. While it is always good practice to review bill of lading wording periodically, this may not now be an immediate priority. At the same time, it should be remembered that bills of lading will incorporate national and international law that will often be paramount, particularly in relation to events that may exempt the carrier from liability, including force majeure provisions.

With reference to national laws, a number of regulators have offered relaxations regarding enforcement of safety compliance issues, including periodic equipment and vehicle maintenance schedules. These relaxations intend to provide short-term relief to operators to help facilitate continued delivery of critical goods and services. However, increased vigilance regarding any applicable relaxations should be employed and close contact with the state of such relevant regulations is advised to ensure operators remain compliant overall. Whilst strict enforcement may be relaxed, there is a continued duty of care towards other stakeholders and the general public.

Workforce safety is a critical issue while many transport operations under government guidance continue to be an essential service. The TT Club FAQs give necessary advice concerning the provision of a safe working environment for staff and others, including such things as adhering to the recommended social distancing. There are a number of primary measures outlined in the FAQs that stakeholders can take to ensure the protection of staff and others in the workplace.

As far as ports and terminals are concerned, seafarer welfare at their facilities is in sharp focus at the moment. Many face a responsibility for properly protecting all involved in the safe transfer of ships' crews, many of whom have had protracted periods at sea. Governmental mandates will inevitably differ in this regard and those managing ship husbandry will need to remain in close contact with the local authorities to ensure they meet such requirements. Subject to specific requirements, operators may consider implementing health screening and restricting access to crew or others arriving at the port facility. Communication with customers, especially with those carriers that ordinarily undertake crew changeovers at the location, is essential to evaluate the available options.

Other concerns covered by the FAQs include: dealing with customers whose cargo delivery has been delayed and the proper use of *force majeure* clauses in contracts; advice on demurrage and detention charges; temporary closure of premises; paperwork delivery and signature authentication.

Extraordinary circumstances will often require innovative and exceptional

practices. At this time, while supply chain stakeholders strive to maintain their critical operations effectively, TT Club seeks to provide input that supports sound, safe practices, protecting as far as possible against unexpected risks and liabilities.

* <https://www.ttclub.com/news-events/coronavirus-guidance/>



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The group who kept WA's Freight Industry Moving

By NICOLE LOCKWOOD – Chair, Freight & Logistics Council of Western Australia

As COVID-19 entered WA, The Freight and Logistics Council of WA promptly mobilised the WA Supply Chain Covid Response Group.

The Group took the lead in overseeing all aspects of the supply chain including shipping, road, rail, air and workforce to ensure the safety of workers in the freight network and secure the supply of essential goods to communities across WA.

Since forming in early March, the group has been critical in;

- Working collaboratively with government in creating protocol documents and approved templates to ensure essential freight workers were able to cross intrastate and interstate borders including:

- o A sector-wide COVID-19 protocol framework for companies and a personal declaration for

employees which in turn was recognised as a general industry standard.

- o Developed and had approved an 'Entry Into Designated Biosecurity Area COVID-19 Risk Management Plan' on behalf of the Freight and Logistics industry to streamline the approval process for individual companies traveling into the biosecurity regions.

- o Worked with DPIRD to create an easy to follow process map outlining the border exemptions process.

- o Created an online and PDF Road-house map showing truck stops that remain open throughout pandemic, incorporating standardised icons of facilities for drivers to use on-the-go.

- o Developed transport specific FAQs for Industry and shared these with the COVID Call Centre.

- o Provided a 7 day a week road transport industry information and assistance service for interstate and intrastate operators facing specific issues or problems.

- Identified a shortage of drivers in some industries and a demand in others which led to the creation of the "Driver Exchange Program" – Proudly supported by Main Roads Western Australia.

- Commenced development of an industry specific driver COVID-19 hygiene awareness course created for drivers and employees working on the front line delivering essential goods and supplies into the community during this pandemic.

- In partnership with Fremantle Port, developed a Data Hub which brings together information from across all modes and sectors to provide real time data about trends and impacts on the movement of freight.

Able Westchem	DP World	Pacific National
ACFS Port Logistics	Freight & Trade Alliance	Patricks
Arc Infrastructure	Fremantle Ports	RWW Group
ArtC	Kwik Logistics	SITE Planning and Design
Aurizon	Linx	SCT Logistics
CBH	Mid-West Ports	Transport Workers Union
Centurion	Maritime Union Australia	TraumaSim
City of Canning	MSC	Tri-state Transport
CMA CGM	Northern Territory Road Transport Association	WATCO
Department of Primary Industries and Regional Development	ONE	

- Helped form the food security working group which is now run by DPIRD after swiftly identifying towns and regions experiencing food supply issues.

- Coordinating exporters, freight forwarders and consigners to work together to ensure we get access to the Federal Air Freight fund if required in support of DPIRD's air freight working group.

- Managed the procurement of PPE for frontline freight workers to ensure their safety and the safety of the wider community while delivering essential supplies.

- The group has also worked to uncover three priority risk areas, identified as 1) Reduced Workforce Availability 2) Disrupted Access to a Critical Route and 3) Commercial Distress. Scenario planning working groups have been formed for each area and have been meeting weekly to address and mitigate these issues.

I'd like to acknowledge Western Roads Federation, PWC, WSP, Department of Transport, Public Transport Authority and Main Roads Western Australia for contributing resources which ensured the groups day to day response was

possible. We'd also like to acknowledge the members and stakeholders, on the graph opposite, who have played a role in helping us to achieve the outcomes listed above.

We are now focused on Freight and Logistics Recovery Planning to identify the best ways to go forward, that benefits the whole supply chain post COVID-19. We have identified five priority areas to focus as:

- Employee risk and monitoring programs;
- Forecasting commercial distress and preparing for change;
- The workforce, skill gaps and training in a rapidly changing environment;
- Potential modal shifts; and
- Examining potential policy and systemic change to support effective supply chains and how Government can support this.

With State borders expected to stay closed for the foreseeable future, we continue to work collaboratively with government and industry to ensure freight keeps moving.

"Our focus is now on recovery planning to support businesses through the process of reactivating the economy, to maintain employment and supplies across the State".

Media enquiries: Nicole Lockwood – Chair FLCWA | 0401 655 686



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Contemplating wearing socks again

By BRETT CHARLTON, Chair – Tasmanian Logistics Committee

The hand propping up the chin on a Zoom call, the precursory phone greeting starting with a sigh, the tinny annoying sound of a mobile phone on hold over a conference call, the delay when someone is called to speak as they look for the off mute button..... every day. Sigh. I don't know about you, but I am pretty much over it. That said, contemplating wearing socks again is something that crosses my mind from time to time. What a bloody nightmare this whole thing has been. Like many in my industry, I definitely feel like one of the lucky ones. There is not a day that goes past where I am not thinking about the aviation, hospitality, tourism, retail, arts and many other industries that are currently a part of the nearly 600,000 Australian's dealing with unemployment– it can bring a tear to your eye.

From a Tasmanian perspective the focus is caution whilst contemplating the other side. Over the last few months we have seen excellent engagement between industry and government on many issues. The absolute positive in all of this is that it seems that collaboration is an actual rather than a lofty goal. Bi weekly meetings chaired by the Minister for Infrastructure and Transport (the Hon. Michael Ferguson) with participation of senior members of the shipping and logistics fraternity of Tasmania sees open discussion around challenges and blocks that have varied from exemptions to the 14 day rule for international vessels to mental health of employees of the industry and everything in between. It is very encouraging to hear competitors speak openly of the challenges

in their part of the world and then to have them noted and usually addressed and resolved by the time the next meeting rolls around. Kudos to the industry and government for this. As we enter into a phase of the easing of restrictions the frame work for "COVID Safe" workplaces is emerging as what I can only relate back to post 9/11 security changes – it will be different and it will add more layers and I am sure at some point we will all be complaining about it – but I expect it will be a reality we will need to live with and like taking a belt off at an airport we will all get used to it (I never thought I would miss taking my belt off at an airport).

Tasmania's containerised volumes are up by around 4% year on year up to April 2020 which tells a positive story. Through general discussion around the State the theme remains the same, cautious but working as hard as ever. There are some sectors of the State that are feeling the pain the most and there are concerns around how they will push through, but the staples continue to trade reasonably notwithstanding the fact that we are entering the traditional low season for shipping (nonagricultural season). One has to feel sorry for Toll as they navigate another IT blow with some nerd behind a computer finding its way into their servers again, but the communication has been excellent and being a less frantic part of the year along with having some experience recently in dealing with these sorts of things has lessened the blow somewhat. Our live seafood industry crashed like everywhere else and there has been an enormous amount of work undertaken to find solutions to accommodate this trade as airlines and borders shut down. A recently announced "air- bridge" under the IFAM program will see a freighter leave Hobart for Sydney twice a week to connect for international flights to accommodate valuable fresh produce including abalone, lobster, oysters, lettuce and dairy – this is a shot in the arm that has been needed (I am told there is capacity south bound ex Sydney to Hobart on this flight just awaiting for an entrepreneur to fill). Like everyone in the shipping game presently, the volume restraints ex Asian ports coupled with the

increased rates is starting to bite. Whilst acknowledging that the international shipping world are struggling with volume forecasting and adjusting accordingly, the flow on effect of delays and higher costs are going to add to the angst of retailers and inputs into manufacturing markets at a time when they need it like a hole in the head. Whilst the world adjusts there is a niggling concern that triggers my spider senses that in the months ahead equipment for exports will be a challenge to deal with as well.

The other elephant in the room is the Australia China relationship. I cannot help but have concerns about the negative rhetoric that is confronting us daily around what is essentially our largest trading partner. Over the last ten years our total net exports for Australia has increased by a net A\$180 billion – sixty percent of that has come from China. Earlier in the month Deputy Prime Minister, the Hon. Michael McCormack, stated that "Trade equals jobs and more trade means more jobs." Surely now is the time to be looking to strengthen our trading partners rather than throw salt into wounds. If we needed an existential threat to realise that we are all the same species and as a planet we need to work together to overcome differences, then surely this is it.

I recently heard an interview with the Secretary General of the United Nations (Antonio Guterres) where he closed by saying "in relation to many other aspects of international cooperation, I hope that this will be a kind of wakeup call". I hope that the wakeup call is for the better and not more division.

Good luck out there.





Game changer – Port of Melbourne’s new rail project

By BRENDAN BOURKE, CEO - Port of Melbourne

Transport infrastructure projects are known for attracting hype and grabbing headlines. It is fair to say however, that not all of them necessarily measure up.

Earlier this year, the State Government gave the all-clear for Port of Melbourne’s Port Rail Transformation Project (PRTTP) – a rail infrastructure initiative that will ease congestion for local communities, ensure an efficient supply chain for freight and business, and support Australia’s economy through a productive Port of Melbourne.

It is a project that will lay the foundation for efficiencies and growth in our supply chain network. For Port of Melbourne and its users, this is one transport infrastructure project that must, and will deliver. And, based on our extensive consultation to date, the reaction so far from various stakeholders indicates it has been well received.

Funded by an increase in the tariff of \$9.75 per TEU on full import containers, the \$125 million rail project will involve significant rail infrastructure works and a new rail operating framework inside the port.

The project involves:

- development of a new on-dock rail terminal at Swanson Dock East to ensure a lower cost transfer of containers between rail and ships;
- restructuring the port rail land and asset commercial arrangements for leaseholders within the Swanson Dock East Precinct to provide rail land and assets on the same basis it provides wharf and road land and assets; and,
- new working arrangements between Port of Melbourne and Rail Terminal Operators at most current and all future port rail terminals.

The investment in the PRTTP is set to pay social and economic dividends. It will take trucks off roads, reduce pollution, improve the safety of the road network, and reduce costs for exporters. It will provide choice for transportation of goods and cargo in and out of the Port of Melbourne, and optimise the capacity of the container terminals. It will enable connection with future metropolitan inter-modal terminal rail shuttles and, ultimately, allow Melbourne to maintain its competitive position within the national port freight system.

It will also play a critical role in supporting the state’s freight supply chain in our economic recovery and transition out of the current COVID pandemic.

While at Port of Melbourne we are proud to have taken the lead in getting PRTTP to where it is today, it’s clear port users and our broader port stakeholder network have shaped this project every step of the way. Industry has spoken, and we have listened.

Over the recent years, we have engaged extensively with key industry participants and stakeholders, including stevedores, rail terminal operators and intermodal

operators. We have had some 500 interactions of varying forms including 1-1 meetings, site tours, hosting tours, working groups and industry events.

From these consultations, it is clear there is significant government and industry support of PRTTP. It is also clear, that while current intermodal and rail operators are backing the project, there is consensus that a rail approach needs to be scalable, so it can respond and adapt once container volumes grow.

It is vital feedback that we will continue to seek to ensure our rail solution is fit-for-purpose, and that the broader community shares the benefits.

It is also why Freight Victoria will be forming a Rail Working Group. With a new operating framework and tariff arrangement in place from 1 June, and construction set to get underway by the end of the calendar year, ongoing industry engagement will remain critical.

Together, we can deliver the right infrastructure and operating environment to drive efficiencies in the supply chain and play our role in Victoria’s economic future.



Assisting Australian Exporters get to their Customers

Sal Milici (Head of Border & BioSecurity) at Freight & Trade Alliance (FTA) recently had the opportunity to speak with Michael Byrne, International Freight Coordinator General of IFAM to get some background to this support mechanism for Australian exporters.

“ *We have helped secure additional flight routes from major export hubs across Australia to international destinations across Asia, the Middle East, Europe and the US.* ”

1. SAL MILICI – Michael, can you guide us through the creation and evolution of the International Freight Assistance Mechanism (IFAM)?

The Australian Government announced the \$110 million International Freight Assistance Mechanism (IFAM) in April 2020. This temporary, emergency measure is designed to address a collapse of the commercial air freight sector brought on by the global response to the COVID-19 pandemic.

My role, as International Freight Coordinator General, is to oversee the mechanism, secure additional freight capacity, and ultimately help stitch our two-way supply chains back together. We're aiming to use the mechanism to bring in essential medical supplies and also provide the opportunity to producers across the country to reconnect to their customers in national and international markets. We've already made great progress in this regard.

Joining the team is Air Vice-Marshal Margaret Staib AM CSC, as Australian Government Freight Controller, who will primarily focus on inbound freight of national importance like medical supplies, while teams across Austrade and Department of Agriculture, Water and

the Environment (lead by myself) focus on coordinating freight on the outbound leg such as agricultural and fisheries products.

2. SAL MILICI - What import and export products were selected to be part of the programme, and what was the rationale?

In recent years, Australia's trade volume by air has been relatively low volume, but high value - about 1.1 million metric tonnes of goods a year worth about \$110 billion.

COVID-19 travel restrictions grounded flights all over the world or significantly reduced freight capacity on remaining passenger flights, dramatically impeding imports of critical medical equipment and PPE and frustrating the ability of Australian producers and businesses trading internationally to service their existing contracts.

For these reasons, on inbound flights, we've prioritised critical medical supplies and medicines including Personal Protection Equipment (PPE), pharmaceuticals, medical equipment and supplies for health industries.

And on the outbound legs we've prioritised perishable products where businesses have established international customers, including seafood, premium red meat, dairy such as fresh milk and yoghurt and premium fruits, packaged salad and vegetables.

3. SAL MILICI - What's the response been to this initiative?

Within a few weeks of the IFAM being announced, we received more than 560 enquiries from Australian businesses wanting to be involved to get their goods moving again.

Since then, the federal government has worked with industry and businesses to rebuild supply chains and expand airfreight capacity between Australia and key trading partners.



Michael Byrne, International Freight Coordinator General



Sal Milici, Head of Border and Biosecurity, FTA / APSA

Some of the businesses who have been able to trade again thanks to the additional airfreight include Australia's biggest rock lobster exporter, WA's Geraldton Fisherman's Co-operative, Victorian lamb processor Midfield Meat International and Tasmanian salmon producers.

It's also enabled us to import critical components for our health response to COVID-19.

I think it's fair to say the response has been overwhelmingly positive.

4. SAL MILICI - Can you tell us about the network of 15 freight forwarders and airlines? Can other forwarders and airlines participate in the IFAM?

On 23 April, we announced a new network of 15 air freight service providers and freight forwarders to accelerate delivery of agricultural and fisheries exports into key overseas markets.

This followed a stringent procurement process, conducted by Austrade, to identify the best-fitting suppliers to deliver IFAM – air services providers with established networks, landing rights and expertise with perishable products in particular.

The successful providers are Virgin Australia Airlines, Qantas Airways, Cathay Pacific Airways, Emirates, Etihad Airways, Federal Express Corporation, Japan Airlines, Singapore Airlines, Qatar Airways, CT Freight, Schenker Australia, Kuehne + Nagel Australia, Air Menzies International (Aust), Toll Group and DHL Global Forwarding.

However, the IFAM is just one mechanism to get Australia's international airfreight industry running again. We encourage importers and exporters to continue discussions with their freight forwarders to access a range of other cargo options.

5. SAL MILICI - What are some examples of flight routes operating under the IFAM?

We have helped secure additional flight routes from major export hubs across Australia to international destinations across Asia, the Middle East, Europe and the US.

This includes re-connecting South Australian exporters with markets in Asia through weekly flights running from Adelaide to Singapore, and giving businesses in Far North Queensland a direct link into Asia, with weekly Brisbane-Cairns-Hong Kong flights. As of late May, we have also secured air bridge flights between Hobart and Sydney, to assist smaller exporters in getting their produce to overseas customers.

These additional flights have been a monumental help to Australian businesses. Tonight, someone will eat Australian lamb in Dubai, Tasmanian salmon in Bangkok, and Western Australian rock lobster in Xiamen.

The IFAM team has also helped Australian specialist medical suppliers' secure deliveries to the United States, including helping Fallshaw, of Victoria, fill an urgent order for 100,000 hospital bed caster units; and supported the efforts of several Queensland producers to send bovine tissue to Edwards Lifesciences in the US within a tight 96-hour window to make heart valves.

6. SAL MILICI - Are exporters / importers required to contribute to the cost of IFAM flights?

IFAM is not intended to fully offset the increase in freight costs to pre-COVID-19 levels. Businesses will still need to make a financial contribution towards the cost of their freight and this may still be more than pre-COVID airfreight rates.

We encourage exporters to access flights through standard freight operations channels, including their own freight forwarders. All the latest information is being updated on the Austrade website <https://www.austrade.gov.au/IFAM>

7. SAL MILICI - What is next for IFAM?

As mentioned, this is a temporary, emergency response to the economic impact of COVID-19. So, we are going to continue to monitor prices, monitor markets and re-assess as needed.

Our focus is on effectively using the \$110 million to achieve the goals the government set out when they announced the International Freight Assistance Mechanism, which was to assist in rebuilding international supply chains.

In the past few months, we've seen things I never thought I'd see in my career in logistics – freight forwarders working together, farmers building consolidated freight loads together, airlines on the same calls to discuss what we can do to get airfreight moving again, and Australia's diplomats and Trade Commissioners working to get supplies of critical medical moving. We're doing this together to help stitch our supply chains back together.



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The New Normal

By BEAU PAINE, Regional Vice President Cargo – Australia | Menzies Aviation (Australia) Pty Ltd



Hope that the challenges from a depressed global cargo market in 2019 would be forgotten were quickly dashed as Australian trade felt the devastating effects of the COVID-19 pandemic during early March. The unprecedented disruption imposed on the aviation industry with government-imposed travel bans spreading from country to country in an attempt to contain outbreaks, meant long-haul passenger flights the world over were drastically cut back.

However, as we dealt with the challenges of significant airline schedule reductions due to passenger demand and public safety, we saw the emergence of the 'new normal' with many airlines starting to recommence services as 'cargo only' flights. These flights have been labelled 'passenger to cargo' or 'P2C'



These P2C flights have kept our cargo terminals across the country moving. Primarily importing medical supplies, personal protective equipment and medicines and export lanes supporting our perishable primary producers. We have also been handling many charter operations and commenced provision of interstate road feeder service options linking Brisbane, Sydney and Melbourne.

Our cargo teams have been diligent in the application of social distancing and personal hygiene guidelines and we appreciate the wider freight forwarder communities understanding and commitment in working with our teams under a changing environment.

Our people remain our strongest asset and we remain actively engaged working with airlines and charter operators on delivery of innovative and bespoke handling options to suit the changing cargo environment. One thing we have learned through these unfamiliar times is the need to be flexible, nimble and creative in terms of service options and

working as a unified team in the whole supply chain.

As we continue through this period we are preparing for the implementation and application of the Enhanced Air Cargo Examination notice to domestic cargo. Phase one sees mainland cities of Sydney, Melbourne, Brisbane, Perth and Adelaide, required to comply with international air cargo security standards. We also anticipate and look forward to the gradual recovery of international airlines resuming flying on reduced routes and frequencies as restrictions start to ease across the globe. We are seeing positive signs of routes in Asia re-opening as many countries start to wake from temporary hibernation.



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What will your **New Normal** look like?

By LEANNE LEWIS, Managing Director – Insync Personnel

The world as we know it will never be the same again.

Since we last received the Across Borders magazine, we have had to deal with the largest global healthcare crisis of our lifetime. Every single person on the planet has been affected by this in some way or another.

Globally

- There has been in excess of 4.5 million confirmed cases
- More than 300,000 deaths
- Economic devastation like we have never seen before

Nationally

- In excess of 7000 confirmed cases
- 100 deaths
- Majority of industries have been forced into putting their business on hold or even worse, closing permanently
- Unemployment will be close to 10% by the time you read this article

So, with so many changes both here and overseas, I am curious to see what the “new normal” will look like for all. We must adapt and change to ensure that we all come through the other side, as this will not last forever.



So, if you’re one of the companies still hiring in the midst of the pandemic you are likely going about it in a new way. Looking in new places for staff to interview and onboarding process - social distancing is also impacting recruiting in a myriad of ways.

CANDIDATE POOL

Due to a high amount of redundancies, there is a broad network of candidates available that are more flexible than ever before with what job opportunities and salary packages they are willing to consider. These candidates are very happy to adapt to the new way of looking for work, with most steps being conducted online due to social distancing restrictions.

INTERVIEW PROCESS

The interview process is also changing, going from in office in person to video platforms like Zoom from just about any location. Face-to-face interviews have come to a halt, and everybody is fine with video interviews. Prior to COVID-19, interviews might have been done at a coffee shop and now some people are meeting at a local park.

How a company adapts its interview process can be a clue to its’ culture. The biggest question on candidates minds right now about switching jobs is will their new boss be flexible, predominately with working from home. By accommodating different comfort levels, companies aren’t just saying they have a good culture, they’re showing it.

NEW ONBOARDING

Once a candidate is hired, the onboarding process is also becoming virtual, and the biggest change is in the new management style it requires. Onboarding is about bonding and managing emotions day to day, and when you’re dealing with working remotely, it creates a challenge. How do you help someone new to the company feel immersed with the business and a part of it?”

Helping someone feel part of a team comes down to clear information, clear directives, and strong leadership. You may only speak to someone 15 or 20 minutes when before you spent the entire day sitting just a few desks away. You need to offer plenty of resources and information, with scheduled conversations through video. You need to introduce a routine into their lives.

How ‘people work’ changed overnight, and the new processes may become permanent.

In the past, studies found that 44% of companies wouldn’t entertain remote working, and now close to every company has to entertain it. That’s a huge shift in working, interviewing, and hiring. It requires a greater level of trust, understanding credentials, and managing personalities and relationships.

Companies will see that workers can be productive at home. They might also enjoy not having extensive overheads with huge offices or the pressure to create an engaging physical environment, especially if they’re getting the same level of productivity.

Some companies will flourish and new ways of working and technologies will emerge while some will struggle to adapt.

In the next 12 months, the office landscape will look quite different!





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Insync Personnel's differentiator is simple... Insync Personnel works with you rather than for you. We are proud of our strict recruitment policy which ensures all clients and candidates are managed with individual needs kept in mind.

We are selective as to whom we partner with as we believe that representing quality, like minded companies and candidates is paramount to our overall success.

Our Service Philosophy

At Insync Personnel we are passionate about delivering an overall favourable result. We are here to provide you with the right option when it comes to recruitment, be it staff or a position you seek.

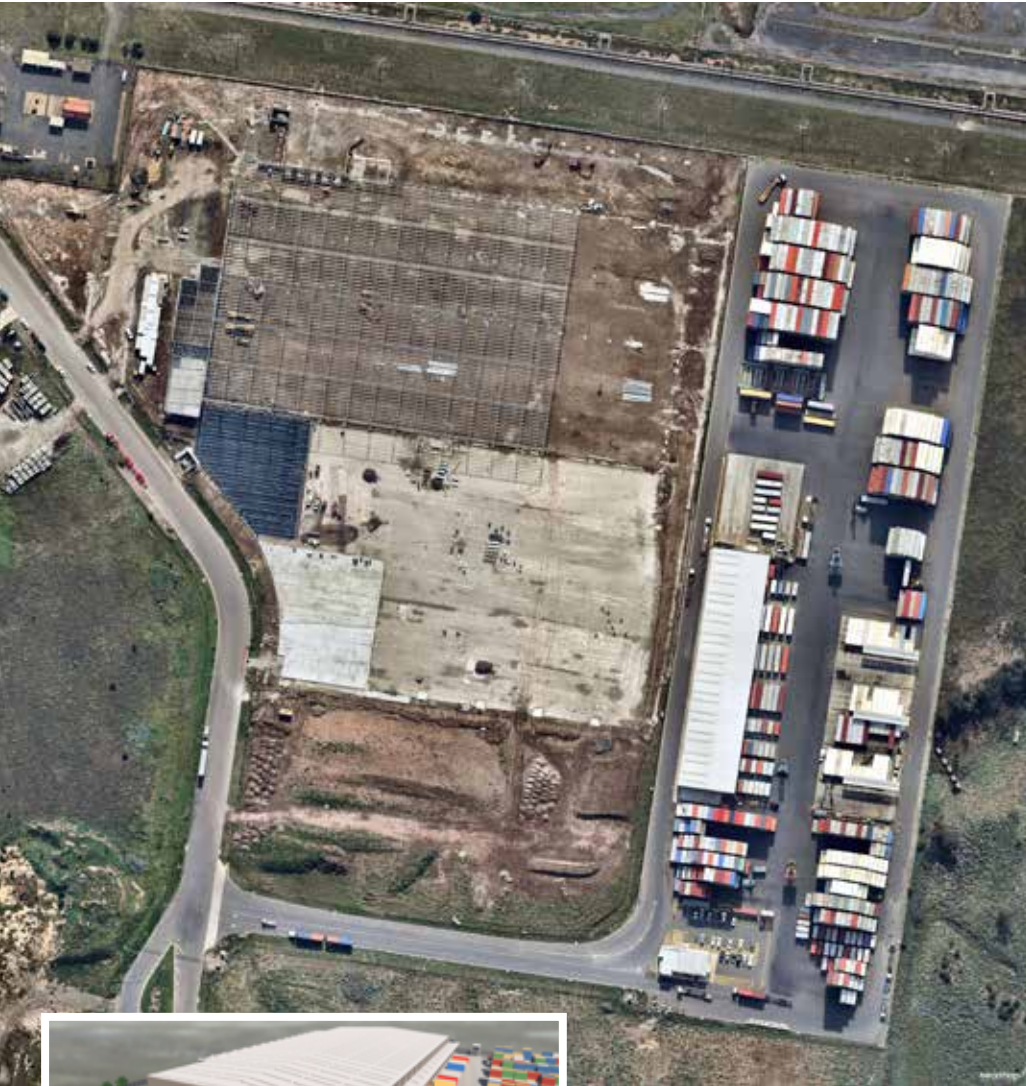
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ACFS Port Logistics - ‘Salta Properties’ Altona Inland Port Container Park



Strategically located in the western suburbs of Melbourne at Salta Properties Nexus Industrial Altona, **ACFS Port Logistics** takes another step towards achieving its mission on retaining its status as Australia’s leading wharf logistics firm offering a full suite of supply chain services while introducing its “Go-West” vision to life in Melbourne.

After a decade of carefully architecting a presence on each major port in Australia and offering customers a distinguished service, in 2015 Managing Director & CEO Arthur Tzaneros, commenced cultivating the second phase of growth by driving what is referred to as the “ACFS Go-West” strategy.

The vision was to replicate the ACFS “On Port” presence “Off Port” and become Australia’s leading supply chain infrastructure firm. The key ingredient was to ensure that all the ACFS facilities consist of connectivity via rail and High Productivity Vehicles (HPV’s). Adjacent to the Melbourne – Geelong Freight Rail Corridor with access to the West Gate Freeway and Western Ring Road for HPV’s from Port of Melbourne, ACFS are proud to announce

the launch of their new state of the art facility located at the ‘**Salta Properties’ Altona Inland Port Container Park.**

Salta Properties Managing Director, Sam Tarascio said, with Australia’s largest privately-owned container logistics company ACFS Port Logistics joining anchor tenant MAERSK Shipping Line, it reinforces the demand for the Port Rail Shuttle Network at Nexus Industrial Altona. 60,000 sqm of land adjacent to the train line has been set aside for the highly anticipated proposed Port Rail Shuttle Network.

The highly anticipated ACFS Altona Site in Melbourne is due for completion on 30 September 2020. This mammoth project solidifies the strong footprint that ACFS have in Melbourne Metro. Boasting 25,000 square metres of warehouse space with an extended hardstand designed to store over 4,000 TEU. The new site will be offering services such as warehousing, both 3PL and e-Commerce, and container transport services. Given that we are located within minutes of surrounding distribution centres, we will be able to provide timely and uninterrupted final mile delivery services.

The facility is part of the proposed Port Rail Shuttle Network, designed to significantly reduce truck trips into the port by 3,500 per day of the 5,500 trucks that visit the port on a daily basis now.

“We welcome ACFS Port Logistics’ support in the Port Rail Shuttle Network” said Mr Tarascio.

The strategic location of this site allows ACFS to adjoin with the Maersk Empty depot, Port Rail link, and SCT facilities and Services. As illustrated above, the development by Salta Properties is progressing fast and ACFS are excited to bring this solution to market.





Definition of “turnover” affecting freight forwarders and customs brokers

By CLINT LATTA, Head of Trade and Policy, FTA / APSA

Freight & Trade Alliance (FTA) has led the advocacy to support members in obtaining access to COVID-19 Federal Government financial relief measures as summarised below:

- in an immediate response to the Government’s announcement, FTA wrote to **Senator the Hon Michaelia Cash**, Minister for Employment, Skills, Small and Family Business on 23 March 2020 highlighting that many freight forwarder / customs brokerages make large payments of Duty, GST, Import Processing Charges and freight disbursements on behalf of importers. These significant disbursements distort true operating performance and may take many small and medium businesses over the \$50 million turnover threshold outlined for the Cash Flow Boost.
- formal correspondence to the **Commissioner of Taxation** on 20 April 2020 requesting a determination under subparagraph 5(1)(d)(ii) of the *Boosting Cash Flow for Employers (Coronavirus Economic Response Package) Act 2020* to qualify freight forwarders and licensed customs brokerages for the cash flow boost; and
- engagement with the **Australian Taxation Office (ATO)** on 23 April 2020 in terms of *JobKeeper* eligibility. FTA pointed to the dramatic increase in airfreight costs in recent months affecting turnover when comparing

against historical periods in the previous year.

Following a series of meetings and correspondence with ATO executives, FTA received formal correspondence from Mr John Ford, the Deputy Commissioner, ATO on 12 May 2020 highlighting that if the cost (such as payments of Duty, GST and Import Processing Charges) are incurred and passed on as an “agent” it is not deemed as a supply made by the freight forwarder / customs brokerage. **These amounts are not included in the freight forwarder / customs brokerage’s annual turnover or GST turnover.**

Alternatively, if the freight forwarder / customs brokerage incurs a cost and passes on that cost, or marks it up, as part of themselves making a supply, it will be included in turnover.

Further details, the ATO Deputy Commissioner’s advice and support contact details are available under the Coronavirus Updates page on the FTA / APSA website (refer article: *OFFICIAL ATO ADVICE – DUTY, GST & IPC DISBURSEMENTS ARE NOT INCLUDED IN CUSTOMS BROKERAGES’ TURNOVER*).

NOTE: special note of appreciation from Craig Pisani at 542 Partners for his technical support in this advocacy activity



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INDUSTRY GROUP TO FACILITATE GENERATIONAL SHIFT ON RAIL NETWORK

The Liberal and Nationals Government will work with Australia's leading rail freight companies to establish an oversight group for the development and implementation of a state-of-the-art train management system.

The industry-led group will provide a single direct forum to investigate the introduction and roll-out of the Advanced Train Management System (ATMS) developed by the Australian Rail Track Corporation and technology partner Lockheed Martin.

Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development Michael McCormack, pictured below, said a \$50 million Federal Government investment has seen the ATMS progress to a crucial phase in development.

"Following extensive development and testing over the past 10 years, this Australian-developed train management technology is now operational between Port Augusta and Whyalla," Mr McCormack said.

"It has been custom-engineered and tested under Australian conditions and has proven both its safety and capability required for

a staged deployment across the wider national interstate rail network operated by ARTC.

"The system is in the final stage of being certified as the primary safe working system between Port Augusta and Whyalla with the next section for deployment to be between Tarcoola and Kalgoorlie from next year.

"I meet and consult with industry regularly and following discussions in March, the Australian Government has agreed to support the establishment of the group to explore opportunities to accelerate the deployment of the ATMS."

The nine major rail freight businesses in Australia have identified the ATMS as the priority train control project to advance industry as a whole.

The group will provide a single direct forum for engagement and agreement on the approach, roll-out, staging strategy and funding for the ATMS. The industry group is expected to provide advice to the Government in mid-2020 on options to deliver the broader rollout of the ATMS.

Finance Minister Mathias Cormann said the Government was working with industry

right across the country to pursue further measures to boost the economy in the wake of the COVID-19 pandemic.

"Rail plays a critical role in the safe and efficient movement of freight across Australia," Minister Cormann said.

"Our continued investment in this very important sector is helping to strengthen our trading economy, creating many opportunities for more jobs.

"A well-developed rail network will help better connect our regions with our cities, our ports and beyond, ensuring that Australian businesses can sell as many products and services as possible into markets around the world while also making sure that domestically we are in the strongest possible position.

"Our Government looks forward to engaging with industry to drive improvements and further strengthen our rail sector."

Chair of Freight on Rail Group (FORG), the peak body for Australia's nine major rail freight businesses, Dean Dalla Valle, said ATMS will generate a massive safety and efficiency boost for the sector.

"To help recover from the deep economic shocks of the coronavirus pandemic, Australia must embrace and leverage new and improved technologies throughout its national supply chains," Mr Dalla Valle said.

"ATMS will vastly improve rail safety by allowing freight trains to be remotely controlled during an emergency, including automatic braking, and boost efficiency of services on both dedicated freight lines and shared rail networks.

"Its home grown, state-of-the-art technology which our sector and the Australian people should be very proud of.

"ARTC has ensured industry was at the forefront of consultation over the ten years of development of the new technology and FORG will continue that collegiate-approach through this working group to help fast-track the roll-out of ATMS."

Further information on ATMS is available at <https://www.artc.com.au/projects/atms/>.



COVID-19: The Impact of Supply Chain disruption on Businesses – The Way Forward

By FRAZER HUNT - Partner, Mills Oakley, Sydney.

For many years, organisations have relied on global, inter-connected and lean supply chains to improve their margins through increased supply chain efficiency. However, the disruptions caused by the coronavirus have exposed supply-chain vulnerabilities previously unseen.

Almost overnight, we experienced a range of major disruptions in transport and logistics services, including flight cancellations which restricted air-freight capacity, refrigerated containers were held at ports and not returned to global circulation, labor shortages, temporary closure of ports, and slow customs clearance as countries attempted to stem the spread of the coronavirus. This, in turn, delayed production of goods and consignments that were already in transit were delayed, rerouted or discharged short of their final destinations.

As many importers and exporters have found over the last couple of months, loss and damage to cargo arising from such delays are generally not covered by cargo transit insurance, and the carriers and freight forwarders who are responsible for transporting those cargos have been able to exclude their liability for losses caused by any delays, leaving the cargo owners between a rock and a hard place.

We have seen a significant increase in claims involving abandoned cargos as stakeholders have become insolvent and

gone out of business and disappeared, which have also resulted in disputes involving container detention charges and demurrage. Further, as shippers and receivers feel the financial strain by this disruption, delays in payment of their accounts with carriers have resulted in those carriers exercising liens and holding cargos to ransom until they are paid.

From a logistics perspective, the availability of many consumer items was disrupted though panic buying, impacting the management of supplies and inventories for distributors with the normal flow of products through the supply chain unready for the unanticipated increases in demand. Although suppliers of goods and logistics providers have largely adjusted to the short term spike in demands for certain products, in the longer term, a significant event like this global pandemic will lead to adjustment of consumer behavior that will last well into the future, and with the new 'normal' creating opportunities for those who can predict emerging trends.

As we begin to emerge from the current crisis, with the gradual removal of restrictions in the movement of goods and people, now is the time for businesses to focus on identifying risks and to create strategies to address supply chain vulnerabilities, including reviewing their transport and logistics systems and their contracts. These businesses will need to become more flexible and resilient as the world settles into the 'new normal' which will be different to pre-coronavirus ways of doing business.

So what do businesses need to do now to ensure that they manage their supply chains moving forward?

1. Review your current supply chain end to end, including alternative sources of supply and routes, and the security and flexibility of your supply chain as conditions change.
2. Assess availability and level of inventories, including spare parts, after-sales stocks and anticipated delivery times.

3. Until a vaccine is found, continue to monitor infection prevention measures, not just from employee safety perspective, but also in the context of capacity and output that will be affected by such measures.

4. Identify changes in customer demand both in the increased availability in goods that were in short supply and whether the demand will change in the longer term.

5. Review capital and cash flows to ensure that future spikes and troughs in demand for your goods and services can be accommodated.

6. Re assess the changes in your processes that were implemented during the crisis that kept your business running, which generally increased digitalisation, meeting platforms etc. Can some of these be retained to increase efficiency?

7. Review your contracts with your suppliers, customers and logistics providers, particularly in light of the disputes that arose as a result of the disruption to supply chains.

Many contracts include 'force majeure' clauses and termination clauses, but whether such clauses can be relied upon to excuse delays in performance of the contract or the ability to cancel it depends very much on the wording of the clause and from what we have seen, few such clauses have been drafted to address the fallout from the effects of a pandemic such as the coronavirus.

Unless you can be satisfied that there will not be a second wave of infections with re-imposed restrictions and/or new pandemics in the future, now is the best time to step back and review the robustness of your business.



Post COVID-19 – Container Logistics Productivity & Information Exchange Needs Boost

By NEIL CHAMBERS, Director – Container Transport Alliance Australia

Stakeholders in Australia’s container transport logistics chain have done a remarkable job during the COVID-19 pandemic response. Container ports remained open, and the landside road & rail task continued relatively unabated.

As we enter the next period of pandemic vigilance mixed with economic recovery, there is a fair deal of uncertainty. Yet, the container logistics supply chain has proven itself to be resilient. This should underpin what we hope is an early return of Australian and international consumer and business confidence and investment.

Evidence of the adaptive nature of container logistics operators was the industry’s response to the launch of the CTAA COVID-19 Emergency Space Register. The Register was designed as a contingency measure in case shippers and freight forwarders found themselves needing additional warehousing or container storage space if the pandemic caused supply chain bottlenecks.



84 entries were made in the Space Register by over 45 companies across all capital city ports. The Register received several hundred hits on the CTAA website. So, we can safely say that if anyone was seeking temporary storage assistance, the industry stood ready to help across the nation!

Another positive has been the spirit of cooperation between industry and governments, and the reinforcement of freight logistics as essential to economic and community wellbeing and recovery.

Governments were quick to relax local curfew restrictions to facilitate the delivery of freight. CTAA would agree with other industry peak bodies that we should try to make some of these changes permanent.

Many of the current delays in container transport logistics, and the need to stage containers through transport yards, is due to the mismatch of operating hours. Day deliveries to customer premises are still the norm, driven by the customers’ preference for container receival times and labour allocation. Night noise curfews can restrict customers’ ability to receive import containers or to dispatch export containers.

There are some good examples of “win-win” arrangements where deliveries are made at night, either dropping off trailers or using side-lifters to position boxes. This allows transport operators to utilise the road network outside of peak, improving running times and other operational costs.

It’s time for governments to work with the container transport industry to analyse what hinders opportunities to spread out the container transport task on a 24/7 basis at the “customer” end, and to use the road freight network more effectively.

The response to the pandemic also again highlighted where we can improve productivity and transport efficiencies through more timely exchange of electronic information.

Social distancing measures were implemented at empty container parks (ECPs) to minimise the possible spread of the virus. This included not accepting paper copies of Delivery Orders (DOs), or handling drivers’ personal electronic devices containing copies of the DO. ECPs called on transport operators to email copies of the DOs so that the shipping line de-hire instructions could be matched against pending movements in the Containerchain truck arrival notification system.

What’s wrong with that picture?!

None of the “manual” processes and data re-entry would be necessary if container shipping lines provided electronic data on de-hire locations all of the time so that it can be preloaded into Containerchain and other relevant IT systems.

The perennial problem with the lack of electronic data exchange from shipping lines is holding back the whole landside container transport chain from introducing paperless gate entry processes at ECPs. This would markedly improve truck turnaround times, and would remove hours of wasted administration time in the supply chain.

The scope of the problem can be illustrated through these figures. In Melbourne, 30% of import de-hires are not accompanied by EDI information from shipping lines; 51% in Brisbane; and recent figures in Sydney has seen the lack of information provision from shipping lines soar to almost 60%!

For the combined ports of Melbourne, Sydney and Brisbane, in a six-month period to the end of 2019, manual intervention in import container de-hire information processing occurred more than 240,000 times! That’s 240,000 plus times that a transport clerk has had to manually re-key relevant container de-hire information, and 240,000 plus times that truck drivers and ECP operations staff have had to manually verify de-hire authorisation, wasting hours on administration.

The Empty Container Management Report commissioned by Transport for NSW last year is due to be released publicly soon. This problem is highlighted in that Report. CTAA has also led discussions in Victoria and Queensland about these issues. Fremantle on the other hand has tackled these issues successfully, while Qube in Adelaide is implementing these initiatives now.

It’s time for governments and industry on the east coast to work collaboratively to facilitate these changes.



Beyond Remote Manpower: Offshoring gets your business ahead of the game.

With the challenges brought upon businesses because of the COVID-19 pandemic, many are looking for methods and ways to make their businesses more efficient especially when facing challenges brought upon the changes in how we operate or manage our businesses. There are many solutions out there but there are only a few that are proven to work most especially in times of crisis like this one.

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Out of the Health & Economic Crises

By PAUL BETTANY, Collinson FX



Introduction

The coronavirus pandemic that has swept across the world has had a devastating effect on health and destroyed our economic security. The epidemic emerged from Wuhan, China and quickly engulfed the entire planet,

leaving no country immune. The world is slowly emerging from the pandemic and picking up the pieces. Australia has been relatively fortunate and is in a strong position to take on the challenges that lie ahead.

Timeline and Markets

'Patient Zero' contracted the virus in mid-November 2019. It was not until the 31st of December that they notified the world and the WHO. The Chinese authorities mobilised state resources in the battle against the killer virus. The CCP shut down the Wuhan Province from the rest of China, but fatefully allowed people to travel out of Wuhan to the rest of the unsuspecting world. In conjunction with the WHO, authorities failed to reveal the extremely contagious nature and people-to-people transmission.

International travel continued unabated and the virus invaded Asia in late January and infected Iran and Italy by the 20th of February. It was at this point that markets began to realise the sheer magnitude of this pandemic. The DOW

collapsed. The Dow fell from highs of over 29,500, to lows of 18,500, by the 23rd of March. The losses amounted to more than 11,000 points or more than 35% in barely a month.

The impact on the currency market was less dramatic, but equally shocking, as the safe haven of the US Dollar dominated markets. The AUD began the year at 0.7000, but lost ground throughout the first quarter, with losses dramatically accelerating when equity markets collapsed, reaching a low of 0.5740 on the 20th of March. Markets began the recovery at this nadir, as infection levels accelerated in Europe and the USA, but with the realisation that authorities were in control of the situation. A great illustration of the drama of this unprecedented situation was the Oil price, which collapsed when the perfect storm hit May contracts, close to expiry. A combination in the collapse of global demand, over-supply and a clash over supply restrictions between major producers Russia and Saudi Arabia. Oil contracts plummeted into negative territory (minus \$37/barrel

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OANDA:AUUSD, D 0.65885 ▼ -0.00091 (-0.14%) O: 0.65976 H: 0.65995 L: 0.65864 C: 0.65885



for May contracts) for the first time in history, where buyers were being paid to take oil!

Governments around the world closed borders and imposed lockdowns on their citizens. The reaction to the pandemic was slow but effective, as most did not fully comprehend the nature of the virus, or of any effective treatments or cures. The mantra was 'bend the curve' which was all about 'control and containment' to allow time to build resources to combat the viral infection on the people. The close down of global economies was akin to hitting a brick wall. This plunged the global economy into recession, the extent of which, has yet to be calculated.

Australia and the Recovery

Australia was extremely fortunate compared to many comparative nations in Europe and the Americas, due to their geographical isolation. The Government was slow to close the borders and impose quarantines on travellers and/or those exposed to the infection. The single biggest infamous event was allowing the berthing of the Cruise Ship 'Ruby Princess', with a high passenger infection rate. These passengers were released into

“ *Australia was extremely fortunate compared to many comparative nations in Europe and the Americas, due to their geographical isolation.* ”

the country and spread the infection like wildfire.

The Australian Government, after being slow to act, acted with authority. They imposed lock-down rules and launched massive Government fiscal support packages to carry the economy through the pandemic. These were largely effective but perhaps overdone. The Government must receive credit for allowing essential business to remain open, which the PM famously declared 'all businesses are essential'!

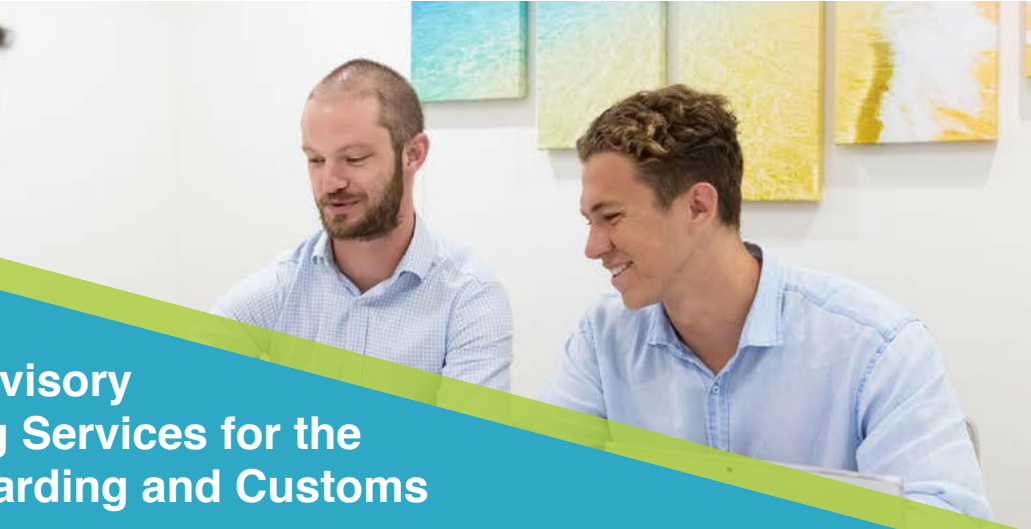

The Aftermath

Global Markets are beginning to reopen, and trading is starting to return to something that resembles normality. The investigations into the cause of the pandemic and the costs associated are yet to be undertaken. China will be at the heart of these investigations, examining how they reacted, in association with the WHO, and conclusions will be drawn. The supply chain is returning to normal but the damage to it, is yet to be determined. Global trade continued throughout the crises, but the fallout may impact the Chinese dominated supply chain, into the future. Security has become a major part of the trade relationship now, so China will be challenged, offering opportunities to other countries and domestic manufacturing industries.



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COVID-19 - Working towards a positive outcome

By SAM FREEMAN - Senior Employment Relations Consultant, Employsure

More than a month after the Federal Government unveiled its JobKeeper wage subsidy scheme, the fortnightly \$1500 per eligible employee payments are trickling into employer's bank accounts.

“ If the unthinkable happens and an employee contracts COVID-19, the business owner has an obligation to eliminate or minimise the risk of transmission as far as reasonably possible ”



Thousands of eligible small and medium-sized businesses across the country have been able to continue to pay their employees, and as a result retain those employees and keep them on the books. As restrictions start to lift across the country, Employsure, Australia's largest workplace advisory firm for small to medium-sized enterprises, has urged business owners to tread with caution over the next several months.

Employers shouldn't bury their heads in the sand now that JobKeeper is flowing into bank accounts.

We all need to make sure we're planning for September when the payment stops, to avoid potential future cash problems. We will soon see some employers realise that JobKeeper doesn't last forever. They may need to make potential future redundancy decisions (or other cost cutting measures) in their workplaces and should approach that with the utmost of care.

They should ask themselves what their business needs. As COVID-19 restrictions are slowly lifted, employers will be faced with many decisions around assessing their business operations, bringing employees back to work and ensuring the workplace is safe. Or, if their needs are met by people working from home, they should continue to allow this (if this is appropriate). Employers need to be clear, consistent and concise when communicating & leading their team, and help them understand how they'll get through the crisis together.

Federal Government figures show that about 768,000 businesses have enrolled for the program, with about 40 per cent of those sole traders. Some received

the payment quickly, while others were left in a world of uncertainty wondering whether or not they would receive the money.

There is about a million employing businesses in Australia and roughly 80 percent of those have applied for JobKeeper. That is a lot of people waiting for that payment.

When you apply online you don't get any notification from the Government to say you have or haven't been approved. You're then left to backpay employees without knowing whether you're ever going to get that cash back.

The Government was always wary of entering into a process it couldn't administrate and practically put into place. But in fairness to them they have quickly approached this with a business-mindset. We've used the metaphor 'they've jumped off a cliff and built the plane on the way down' and good on them for doing that.

Some employees may not be eligible to receive the payment, but that doesn't mean they can't have their hours varied or go on some form of unpaid leave, if that's possible in their place of work. Alternatively, they can contact Services Australia as they may be eligible for JobSeeker.

In terms of ensuring they have cash to operate over the coming months, business owners should consider whether there are certain jobs or functions in their workplace that could be reduced or may no longer be necessary. It's not unusual that we're seeing some employers that are currently caught in that cash flow gap.

While the JobKeeper payment has managed to keep millions of Australians in a job, there have been cases where staff have clashed over their new working hours and pay under the scheme.

We've heard of cases where an employee that might have been earning more than \$1500 a fortnight has had their hours reduced, while at the same time another employee might just be working a couple of hours a week and essentially has now gotten a pay-rise by being topped up to the same amount.

It is causing some problems for small business owners that have to manage that discussion in their workplace. Employers need to be upfront and communicate in a clear, consistent and concise manner with their staff as much as possible. The ones that are doing the best are the ones that practice open communication.

They should be open with their employees and explain to them what the Government is doing. Otherwise staff will end up feeling a sense of uncertainty and insecurity, when really the employer is just implementing a policy that is out of their hands.

For all of the focus on JobKeeper, cash flow and getting businesses back on their feet, Employsure is reminding business owners that they shouldn't forget about the threat that started the whole crisis in the first place.

If the unthinkable happens and an employee contracts COVID-19, the business owner has an obligation to eliminate or minimise the risk of transmission as far as reasonably possible. One way to do this is by asking your employees to remain away from the workplace if they are unwell or exhibiting any symptoms associated with COVID-19.

However, the risk of transmission can be further reduced by remaining aware of the general wellbeing of your employees and acting quickly if you notice they are displaying any symptoms that may be associated with COVID-19. In the old world, the test wasn't whether you were sick, but whether you were fit for work. The goalposts have changed – how long they stay changed for is going to be the question.

I hope the guidance coming out from each state's roadmap to recovery allows

employers to get themselves back on track. They won't be judged on how effectively they went into this crisis, but how effectively they manage their business through it, and lead their staff strongly out on the other side.



About Employsure

Employsure is the largest provider of employment relations and workplace health and safety services in Australia, servicing more than 25,000 clients nationally. As a part of a partnership arrangement, Employsure provide support to all Freight & Trade Alliance (FTA) and Australian Peak Shipper Association (APSA) members with complimentary access to workplace relations expertise via their dedicated Employer Advice line - phone 1300 651 415 (quote ERA0017). Employsure currently also support many FTA members with tailored solutions for Fair Work compliance including unique workplace documents, a proactive approach to workplace disputes and insurance services. For a referral to Employsure or testimonials from other FTA members, please email info@FTAlliance.com.au or visit www.employsure.com.au



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Switch bills – Are they worth the risk?

By JAMES COTIS, Principal – Logical Insurance Brokers

We often receive queries from freight forwarders who are requested to switch Bills of Lading (BoLs). Although we understand the practice is widespread, we note there is much confusion with regards to whether freight forwarders should comply with such requests.

Given this uncertainty, we thought it would be useful to examine the practice known as ‘switching’ or ‘substituting’ BoLs.

‘Switching’ refers to the circumstance where a request is made to the issuer/carrier (or the carrier’s agent) to issue a second set of BoLs in substitution for the original documents issued at the time of shipment, and technically deals with the same cargo. This often occurs at a port other than the load port and subsequent to the initial loading. Basically, the result is that the BoL which is presented at the discharge port is not the same BoL which was issued at the loading port.

Unfortunately, some requests made are aimed at concealing the true origin of the

cargo, possibly in order to circumvent sanction regimes or evade import duty on the cargo. Therefore, great care needs to be taken to thoroughly assess and ascertain the purpose behind the switch. Where there are suspicions about the authenticity of the request, we suggest that forwarders reject it. Where the switch is held to be illegitimate, there is a serious risk of becoming complicit in the crime and the repercussions could be devastating.

However, we understand that there are many good commercial reasons to switch BoLs, including the consignee’s change of plans to deliver the goods to a different port than first envisaged or the goods have been resold during transit and as a result, the consignee and discharge port may have changed.

Many other requests typically emanate from traders who wish to conceal the identity of the suppliers and the end-users from each other.

Although those reasons are normally quite legitimate, issuers must be on their guard when dealing with such requests. This is because the main feature of switching is that it is done without the cargo being handed over at the same time, and generally occurs well away from the route the cargo is taking. The immediate issue is whether the party requesting to switch BoLs has the right to do so.

With respect to ‘negotiable’ BoLs, that is those issued ‘to order’ or ‘to order or assign’ of either the shipper or the consignee, the shipper generally retains the right to re-direct the shipment before endorsement of the document or delivery of the cargo to the lawful holders of the BoL. Therefore, if a negotiable BoL has been issued and the shippers request that an amendment be made to the name of the consignee and/or the place of delivery, they must return all the original documents, free of endorsement, before agreement is made to make any change.

It is critical that all the originals of the first BoL are collected and cancelled before the replacement set is produced and issued (note that this may not be possible in the

case of Telex Release and other suitable arrangements may need to be made). This is important because it is the carrier’s only guarantee that the party making the request is the true owner of the cargo. The BoL issuer must ensure that only one set for the same consignment is in circulation at any one time, otherwise there is a real risk of facing competing claims from two consignees, each holding an apparently valid BoL.

When agreeing to switch BoLs, the parties involved must take great care that all amendments and the issuing of the second BoL are accurately recorded to ensure that their rights are protected and they are not exposed to any unintended consequences, such as mis-delivered cargo. Should it all go wrong, any inconsistencies as between the original & new BoLs will likely result in the carrier and/or forwarder facing the risk of claims from parties who have suffered a loss as a result of these misrepresentations. There is also the potential for full liability exposure without the application of contractual limits. Importantly, liability insurance coverage may be jeopardised in these instances.

Good practice dictates that written confirmation is to be obtained from the shipper/consignee setting out in detail their requirements for a new BoL. If the changes required are substantial, we propose that evidence is gathered to support the changes and an indemnity obtained, supported by a reputable bank, to protect against any potential dispute with the consignee.

There are precautions which can be undertaken to help minimise the risks where switching has been agreed.

For example, there is certain information shown on the original BoL which must not be changed, including:

- Date and Place of the shipment;
- The number of packages and weight;
- Special instructions such as temperature requirements;



- Hazardous/dangerous cargo;
- Any special clauses to be identically worded.

Information which may be changed includes:

- Name(s) of the shipper;
- Name(s) of the consignee or notify information;
- The shippers description of the goods;
- The name of the ship;
- Port of discharge.

Please also be aware that difficulties may arise if the switch bill is issued in a jurisdiction different from the original. This might lead to the application of a different international law regime and also interpretation of the applicable law.

In recent years, there have been multiple cases of fraud and unintended consequences under switch bills, including:

- Switch BoLs used to fraudulently draw on a letter of credit or to default a seller/ buyer;

- In the event several versions of the BoL are circulating at the same time, the carrier risks delivery to the wrong party and then having to compensate the holders of the true 'original' bill;

- The original set of BoLs may have been marked freight payable only for the switch bills to be marked as freight prepaid, thereby affecting owners' right to lien;

- One set of BoLs might incorporate a different voyage charter with a different jurisdiction clause;

- A letter of indemnity (written authorisation) issued by the requestor could potentially be legally unenforceable;

- Arguments regarding payment of shipping costs as between the shippers of the first and second BoL.

It is hoped that this article has served to highlight and remind forwarders that there are increased risks involved in the practice of switching which can result in significant problems and liabilities, and liability insurance cover may be jeopardised.

Clearly, there is no room for complacency or taking comfort from previous switches which have gone well.

Therefore, when a switching request arises, we suggest that forwarders seek appropriate specialist legal &/or consulting advice. We also suggest that forwarders contact their specialist liability insurers who may be able to offer assistance and guidance in the first instance.



Who we are:

James and the team at Logical Insurance Brokers provide specialist risk management and insurance solutions to the logistics industry. Logical is delighted to be associated with the Freight and Trade Alliance (FTA) and is proud to be their appointed insurance adviser since its inception in 2012. James is also a regular presenter at FTA professional development events.

If you would like more information about how a carefully constructed insurance program can help protect your business, please feel free to contact James on 02 9328-3322, email jamesc@FTAlliance.com.au or visit the Logical Insurance Brokers website at www.logicalinsurance.com.au/logistics.

Disclaimer: This article is designed to provide helpful general guidance on some key issues relevant to this topic. It should not be relied on as legal advice. It does not cover everything that may be relevant to you and does not take into account your particular circumstances. It is only current as at the date of release. You must ensure that you seek appropriate professional advice in relation to this topic as well as to the currency, accuracy and relevance of this material for you.

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Interview

Mark Callus – Director, Customs Agency Services (CAS)

John Park, Head of Business Operations - Freight & Trade Alliance (FTA) recently had the opportunity to sit down, albeit it virtually in this COVID-19 environment, with Mark Callus from Customs Agency Services (CAS). CAS has been one of Australia's most successful international logistics providers over the last 5 decades and we thought it a good time to see how they have managed past and current challenges and where they see the future for customs brokers and freight forwarders.

1. JOHN PARK - Mark, would you like to start off by giving us a snapshot of who CAS are, and how you got started?

We are an Adelaide head quartered international forwarder and customs broker, with a team of 40 that was founded in 1976 by my father Phillip Callus, who was a former Australian Customs Officer.

Initially CAS performed customs clearance on behalf of South Australian importers. However, by the late 1970's, with increased globalisation, freight forwarding was just coming into vogue and Phillip saw this new freight opportunity. He became an early adopter in providing not only customs clearance services, but also international freight movement.

Such a bundling is obvious now, but back in the 1970's it was only an emerging concept.

CAS continued to innovatively expand and were one of the first customs brokerages in Australia, to lodge a computer-generated customs entry in 1986. Before then all customs entries were prepared manually and physically lodged at the Customs House. This customs clearance process could take days, whereas now customs approval can be done in a matter of minutes.

My sister and fellow Director, Louise Rigoni and I joined CAS in the 1980's and purchased the business from our parents in 1997.

Our focus back then was to continue to grow the freight forwarding side of the business, whilst consolidating our existing activities around our growing customs expertise.

2. JOHN PARK - In your time at CAS what changes have you seen within the industry?

In the 1990's and 2000's, the industry went through continual challenges and changes, including a number of global economic

shocks. Australia's "recession we had to have" in the early 90's (where interest rates almost hit 20%) and the global financial crisis of 2007/2008, were particularly difficult. However, the biggest disruption was the flood of overseas global freight companies entering the Australian market.

By 2010, most of our Australian owned Logistics competitors had either simply vanished, merged or been sold.

Additionally, the speed of business has grown exponentially. New technology has dramatically transformed the way we engage with and support our suppliers, customers and regulatory agencies.

3. JOHN PARK - How has CAS responded to all the industry disruption and move ahead over the past decade?

Ironically, in our 44 years of business, and whilst the industry has become clearly more competitive, the team at CAS has managed to thrive over the past 10 years, having doubled in size.

We realised some time ago that we had to expand our capability and customer base from a predominantly customs brokerage business to one that had the capability and global reach to deliver a door to door logistics solution.

This has now been achieved, with over 90% of revenue coming from international and domestic freight activities.

We also acknowledged we needed to diversify our client base from just South Australia, by having a truly national capability and reach. This took a concerted team effort and a lot of plane hours, but with half of our revenue now coming from across Australia, it has been a rewarding journey and result.

The management team at CAS also realised the importance of being specialists in key vertical markets. Our Adelaide centre of excellence, for both Aerospace & Defence

and ecommerce, now have a successful control tower capability and solutions across Australia and indeed the world. These two sectors will be two of the fastest growing areas of the Australian economy for decades to come and are already contributing to over 50% of our revenue.

The team at CAS had always provided warehousing and distribution solutions, but we recognised that this was another area of potential growth. In December 2019, CAS proudly signed an agreement to provide initial warehousing/distribution, freight forwarding and customs clearance solutions for the largest defence procurement in Australia's history – the Future Submarine Program in Adelaide.

4. JOHN PARK - How important has it been to keep reinventing the business and innovate?

The culture at CAS has always been one of continuous improvement and innovation. With the customers at the centre of what we do, we have been fortunate to also collaborate and learn from both our multinational and Australian customers alike.

As clichéd as it may sound, we genuinely all get better together.

We were the first freight forwarder and customs broker in Australia to receive "Australian Trusted Trader" approval in 2016. We then partnered and supported a number of our customers to also gain accreditation, which has helped them reduce both cost and time to market.

We have also been honoured to receive the recognition by our peers as winner of both "Australian Customs Brokers of the Year" and also "Australian International Freight Forwarder of the Year" on a number of recent occasions.

We were one of the first international logistics companies in Australia, to have a



formal indigenous “Reconciliation Action Plan” in place in 2019.

Our ability to embrace new technologies, digitisation and automation has underpinned our ability to keep supporting our customers and keep reinventing and innovating.

None of these achievements could have happened without our team of 40. Their commitment, professionalism and dedication drive the business, and keeps the customers coming back. Some of our team members and management group have been with us for decades. Others joined more recently as graduates, with 3 of them recently moving into key team leadership positions.

5. JOHN PARK - What threats and opportunities do you see for Australian freight forwarders and customs brokers into the future?

There is no doubt that the current COVID-19 pandemic’s effects on both the global supply chain and logistics, will still be with us well into 2021, and in some ways, the industry may never return to “normal”.

There is also the risk to global freight forwarders that the bull run of globalisation

over the last 2 decades, may begin to slow (for other than economic and health reasons). Unfortunately, pre COVID-19 trade tensions between China and USA, and Australia/China, appear to be now growing.

However, the shock of interrupted and stretched global supply chains may force many countries to bring manufacturing back on shore. This however may only be for niche, high cost/complex or strategic goods and at the end of the day, we may all have short memories and value a “bargain”.

There is concern that industry will need to manage the double-edged sword of a slowly recovering domestic economy, with ongoing lack of global air freight capacity. For Australian importers and exporters, the sudden jump in airfreight rates by 200 or 300 percent on some routes, came as a nasty shock and is a challenge to just in time (JIT) supply chains, profit and cash flow.

Fortunately, we are already seeing more airfreight capacity come back into the market with both pure freighters and passenger to freighter conversions, and rates slowly starting to come down.

With COVID-19 related restrictions already lifting within Australia, hopefully the economy will indeed return from forced hibernation.

From a logistics point of view, and reflecting on CAS’s journey over almost 5 decades, those logistics providers who stay both close and relevant to their customers, stay innovative and take early lessons learnt from the COVID-19 disruption, have the potential to survive and thrive in 2021 and beyond. I am sure we all have a few further surprises and shocks yet to come, and it will continue to be challenging on a daily basis.

But, then again, that’s when a good freight forwarder stands up, and delivers the solutions!



AUSTRALIA'S GLOBAL LOGISTICS SOLUTION SINCE 1976



Associated Customs and Forwarding (ACF) donation to frontline medical staff



When Covid-19 brought China to a grinding halt, it was the importers, exporters and forwarders who got to see first-hand the damage this virus can have, not just on humanity but also to the economy.

Towards the end of March 2020 when the health fears were paramount, the ACF executive made the decision to secure 65,000 surgical gowns and donate these to the NSW Health.

ACF CEO Andrew Hurt stated that he hopes it's the first of many things they are able to do over the coming months as Australia moves out of lockdown and deals with the residual economic downturn. "We encourage all organisations where possible to support fellow Australians at this critical time, whether it's assisting with emergency supplies, creating a better supply chain or simply donating to a front-line cause; it could come as another small step to help get this country back on its feet. That way, we all win."



BUSHFIRE RECOVERY RELIEF

In support of the efforts by the Supply Chain and Logistics Association of Australia (SCLAA), FTA sought assistance from our members to transport a range of donated tools, including wheel barrows, gardening tools and hand power tools that had been collected by Lions Club members. These donations were distributed to the hard hit community of Buchan in East Gippsland to assist homeowners and businesses to commence their recovery journey.

Visa Global Logistics volunteered a driver and truck free of charge to transport the goods with volunteers from *BlazeAid* assisting with the unloading of the supplies.

Visa Global Logistics also collected water, mattresses, furniture, clothing, non-perishable goods and cleaning items from their team and customers for Bushfire Relief. They partnered, with the charity *Willing & Able* who worked with various community groups within the Port Macquarie-Hastings community to distribute donated goods. They also assisted in the delivery of donated food, beverages and goods to bushfire affected communities in rural NSW.

FTA would like to recognise the valuable contribution to the Australian community made by Visa Global Logistics. Congratulations to your team.



FTA Keeping Members Informed

By CAROLINE ZALAI, Freight & Trade Alliance (FTA)

With many of the scheduled events for 2020 being postponed due to COVID-19, Freight & Trade Alliance (FTA) increased the number of webinars to assist our members during this unprecedented time. These webinars informed our members on industry issues and had a dual purpose of keeping our members connected whilst in the isolation of working remotely or with reduced teams in the workplace.

We were delighted to work with Diana Tapp, CEO – World Class Teams to host topical sessions on “How to Stay Strong & Sane During COVID-19” and “How to Lead Your Business Out of COVID-19 with Strength & Agility”.

Employure’s presentation provided clarity to the challenges, insights and options on protecting and preparing your business with changing legislation and how to manage your staff - “Coronavirus and your business - preparing for the worst, while planning for the best”.

The new TechTalk webinar series commenced with a presentation from Krenar Komonim CEO, Founder - Tive Inc. on “Empowering Supply Chain Visibility and Monitoring” and introducing their temperature and tracking device to Australia.

Time sensitive Continuing Professional Development (CPD) sessions were delivered by Susan Danks on “Compliance for importation of COVID-19 product”, Edward Jackson, Regional Trade Agreements Division - Department of Foreign Affairs and Trade, Sally Phillips, Manager, Free Trade Agreement Program - Austrade and Lara Adams, Non-Tariff Barriers Coordination Section - Department of Foreign Affairs and Trade presented on “Preparing for Free Trade Agreements - Autumn 2020” and Russell Wiese - Hunt & Hunt Lawyers presented “Legal Update - Autumn 2020”.

If you were not able to participate in any of these sessions, the recordings are available on the FTA Website at www.FTAlliance.com.au/webinars



WISTA Australia

WISTA Australia has now started its webinar series for 2020, with a new webinar on the first Wednesday of every month. The webinars will be free for members and are also available to non-members for a small fee. If you would like further information on the webinar for the upcoming month or if you have suggestions for future presentations, please contact us at wista.australia@gmail.com

WISTA Queensland hosted a virtual high tea on Friday 8 May 2020. Members were delivered a delicious box of high tea from Della Mano and enjoyed it in their own homes, connecting with other members by video call. We played a game of Mad Gab and had an afternoon of laughter. It was a great way to keep in touch.

2021 Women In Logistics Forum
 Monday, 8 March 2021 @ Novotel Brighton Le-Sands - 12.00pm to 4.00pm

Co-hosted by Freight & Trade Alliance & Women's International Shipping & Trading Association

Major Sponsors: iStop, ECLIPSE COURIERS & TAXI SERVICES

Event Sponsor: MENZIES AVIATION

Afternoon Tea Sponsor: insync persone

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Be Aware - Incoterms® 2020 Review

“Incoterms® determine the point at which the goods are delivered, the point at which risk in the goods for loss or damage is transferred from seller to buyer and the various costs associated with the transport of the goods”

1 January 2020 witnessed the introduction of Incoterms® 2020. Revised every ten years, in common with previous editions, this latest revision has been assessed against current business practices, taking into account new technologies and challenges faced through the intervening period.

Incoterms rules were first introduced in 1936 amid turbulent economic times, and emergent regional and global markets. At the time, various countries were introducing a series of new trade tariffs and negotiating bespoke contracts; there was a recognition that the general climate of trade risk was changing.

Translated into 25 languages globally, the Incoterms rules serve to support current global business practice. The aim is to optimise global trade conduct, clearly defining the obligations of a buyer and seller of goods - in encouraging self-regulation and providing a rules-based framework to facilitate trade.

With each revision, the ICC aspire to advance standards and improve the outreach to businesses whose compliance with Incoterms rules is poor. There is a recognition that many businesses do not correctly use the Incoterms rules; businesses should, where appropriate, challenge and encourage trade partners to utilise the correct/ most appropriate rules to adopt at the outset of contractual negotiations and before a dispute arises.

The Incoterms rules are soft law. They are not mandatory. There are number of common mis-conceptions surrounding the Incoterms rules. In line with earlier editions, Incoterms 2020 cover the parties' obligations to arrange for the carriage and insurance of the goods. They determine the point at which the goods are delivered, the point at which risk in the goods for loss or damage is transferred from seller to buyer and the various costs associated with the transaction. The Incoterms 2020 rules however do not cover;

- Ownership or who retains the title to the goods
- Quality of goods
- Breaches of contract
- Method or terms of payment
- Responsibility to insure the goods (Except CIP & CIF)
- Other services contractually provided

- Issues around sanctions
- Governing law and jurisdiction of contract
- Regulatory compliance requirements such as the provision of VGM
- Remedies in respect of disputes or breaches of contract.

The ICC recommend using the most up to date terms, best reflecting current trade practices, but use is not obligatory. Businesses can continue to use earlier versions - whichever edition is being used, it is recommended that businesses ensure that this is clearly defined in the contracts.

Incoterms per se are not legally binding, unless express reference to the specific Incoterm is incorporated into an agreement. The ICC suggests the following template for incorporation:

“[the chosen Incoterms rule] [named port, place or point] Incoterms® 2020”

e.g. FCA (Winsford, Cheshire, United Kingdom) Incoterms 2020®

e.g. DAP (Unit 15, ABC Business Park, Winsford, United Kingdom) Incoterms 2020®

Whilst it is not necessary to use the trademark symbol, it is essential to state the version of the Incoterms used; not doing so may give rise to disputes and unintended outcomes.

There is an importance in accurately inserting the correct named port, place or point of delivery, destination or both. This again will increase certainty and avoid potential costly disputes.

Key changes for 2020

Incoterms 2020 consist of 11 defined terms. There are four sea freight only rules and seven rules which can be used for any mode. Whilst this revision has witnessed only a small number of substantive changes, there remains an importance in understanding the impact of these changes.

Delivery place – Seeking to remove the confusion historically arising between DAT (delivered at terminal) and DAP (delivered at place), the former has been replaced by DPU (delivered at place unloaded). This serves to clarify that delivery is effected once the goods have been unloaded and made available to the buyer at the specified place.

Insurance - Only two Incoterms rules obligate insurance, in each case requiring

the seller to purchase insurance for the buyer's risk. CIP Seller buys the insurance in the name of the buyer at Institute Cargo Clauses “A”. CIF Seller buys the insurance in the name of the buyer at Institute Cargo Clauses “C (which are restricted). Parties can expressly agree alternative levels of insurance cover under both CIF and CIP.

Costs – Incoterms 2020 provides much more detail around costs and their allocation under A9. In general costs up to delivery are for the seller and the costs thereafter are for the buyer.

Security – The 2020 text provides more detail around security. A4/ B4 and A7/ B7 consider security aspects.

Own transport – Incoterms 2010 assumed that all transport would be undertaken by a third party. Incoterms 2020 recognises the concept of own transport.

FCA, FOB and bills of lading – FCA obligates the seller up to the point that the goods are delivered to the carrier; FOB is still widely used (incorrectly) to undertake the same function. FCA is preferential for the seller given that it does not include the risk associated with for example, loading the goods onto or transporting the cargo to the ship or other means of transport. Delivery in FCA occurs at the point that the goods are delivered to the carrier at the named place (either loaded on to the collecting means of transport at the seller's premises or at the carrier's premises ready for unloading by the carrier). This can in practice give rise to difficulties in terms of payment, however, for example where a letter of credit requires an on-board bill of lading. Incoterms 2020 adopts further language under the FCA term to allow the seller to require the buyer to procure an on-board bill of lading to attempt to alleviate this issue.

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Postscript: the above article has been reproduced following commentary from Mr. Bob Ronai (Member of the Incoterms 2020 drafting group). Mr. Ronai's comments have been acknowledged by TT Club and they advise as below

“TT Club is grateful for the points raised by Mr Ronai. Having checked back with Prof Charles DeBattista, who was involved in the Incoterms 2020 review process, TT regret to confirm that the text provided was unclear or misleading as suggested by Mr Ronai. As a result, the article has been amended as attached. Please convey the Club's thanks to Mr Ronai for challenging the article and providing valuable feedback.”

Michael Yarwood, Managing Director Loss Prevention, TT Club

TT CLUB 
50 years of established expertise



EXPANDING TRADE A KEY PLAYER IN AUSTRALIA'S ULTIMATE ECONOMIC RECOVERY

By Senator the Hon SIMON BIRMINGHAM - Minister for Trade, Tourism and Investment

Trade and investment relationships with other countries have a long history of serving Australia well. These relationships and the agreements that enhance them will play a key role to help Australia recover from COVID-19, boost job opportunities and assist economic growth. Despite the unprecedented impacts experienced and the necessary measures taken to combat the virus, Australia posted our 27th consecutive monthly record trade surplus of \$10.6 billion in March. Australian goods and services exports also rose by 15 per cent to reach \$42.4 billion.

The Morrison Government has taken decisive action to ensure Australia's supply chains remain open during a time when international travel has come to a standstill. The establishment of the \$110 million International Freight Assistance Mechanism has allowed exporters to continue to get their premium produce to key overseas markets and into the hands of consumers. To date the mechanism has enabled a coordinated response between producers, freight forwarders and airlines to commit over 23,000 tonnes of produce on more than 1,000 flights, to 28 international destinations.

During these uncertain times we remain committed to our Government's active trade agenda that seeks to minimise the impact of COVID-19, and ensure Australia obtains the full benefits of greater openness to international trade and investment.

By early July, Australia's free trade agreement network will strengthen to 14 regional and bilateral agreements in force, with three added in the last six months. The

newest of these is the Indonesia-Australia Comprehensive Economic Partnership (IA-CEPA), which will enter into force on 5 July 2020.

IA-CEPA will open up a wide-range of benefits with preferential access for Australian agricultural producers, manufacturers, services providers and investors. In 2018-19, Australia's total two-way trade in goods and services with Indonesia was worth \$17.9 billion. With a population of over 260 million and one of the fastest growing economies in the world, Indonesia presents significant opportunities to further strengthen our export sector.

Australia's other new free trade agreements with Hong Kong and Peru entered into force earlier this year. We have locked in tariffs on Australian goods exports to Hong Kong at zero, and secured guaranteed and improved access to its growing services market. Our agreement with Peru provides a range of new export opportunities for businesses, including mining and education services exporters, in what is one of Latin America's fastest growing economies.

With trade supporting one in five Australian jobs, our Government has been committed to giving our farmers, exporters and businesses the maximum range of choice through the different trade deals we've secured and we will keep doing, so as to allow them to grow and seize more markets.

Looking ahead, we are working hard to expand the network further and open up new export and investment opportunities, including by negotiating ambitious and comprehensive free trade agreements

with the European Union and the United Kingdom.

Additionally, we have taken an active role in facilitating the world's largest trade pact, the Regional Comprehensive Economic Partnership, which will be a regional free trade agreement involving Australia and nine of our top 15 trading partners to create a single economic framework. Australia and other Partnership countries have agreed to sign this agreement later in 2020.

It should also be recognised that as our largest trading partner and the largest economy in our region that an ongoing trading relationship with China is natural, as it is for many countries in our region. Trade disputes are as old as civilisation itself and while we work through current issues in the best interest of Australian exporters, maintaining trade with China is mutually beneficial for both our nations.

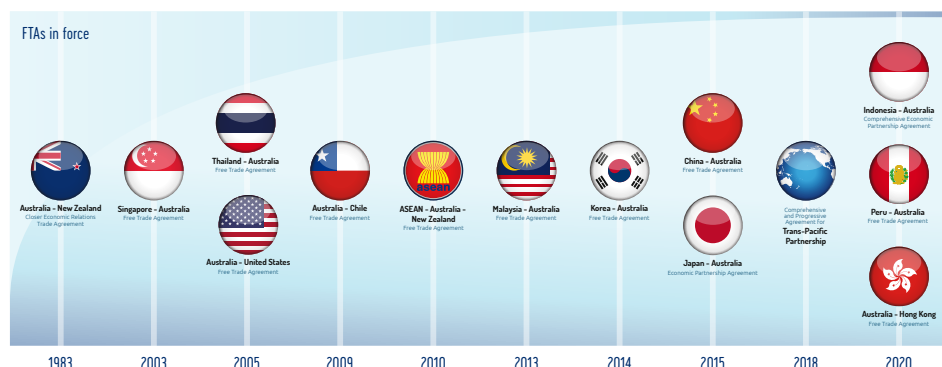
Where possible, the Government also continually looks to review existing free trade agreements to upgrade and deepen our trading relationships. One example, which will see negotiations begin later this year, is the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA), which entered into force in January 2010.

There is no doubt that COVID-19 and the successful measures taken to suppress the virus are currently having a significant impact on economic activity in Australia and right around the world. However, following the virus containment stage, the Australian economy will draw strength from our actions to stop the spread and support recovery.

International trade and foreign investment will play vital roles in supporting economic activity, business growth and employment in Australia as we move towards recovery.

This is why the Morrison Government will continue to work multilaterally, regionally and bilaterally to ensure our nation obtains the full benefits of greater openness to international trade and investment with other countries.

For more information, please visit DFAT's free trade agreement web pages, fta.gov.au, and the FTA Portal, ftaportal.dfat.gov.au.





Remote working – a new cyber security risk for businesses and their employees.

By JONATHAN SHARROCK, Chief Executive Officer- Cyber Citadel

Most employees are currently working from home, where they are not protected by a corporate firewall and where company data traffic cannot be monitored. And if anything were to go wrong, the IT department isn't necessarily at hand.

The remote working trend will not be short-lived: before the pandemic, more and more people were conducting work on commutes, in cafes, and in shared 'coworking' office spaces.

These unsecured sites place company data and function at risk.

The modern world is reliant on communication, data sharing, and digital operations. A cyber-attack can devastate a business, costing serious amounts of money in fines, lost revenue, and damaged reputation. Earlier this year for example, a ransomware attack cost Travelex 2.3 million US dollars in ransom fees alone.

Unsecure sites mean more vulnerabilities, and more opportunity for cybercriminals. Document access and sharing, connecting virtual meetings, and generating file backups are cause for serious concern.

File access must be protected with strong, unique passwords, and multi-factor authentication (MFA) which confirms authorisation by a second method, such as a code sent to a mobile. Using public networks without a company VPN (such as those in cafes and on trains) when accessing company files should be banned, because cybercriminals can easily intercept this traffic and steal valuable data.

It is impossible for a company to know if a public network is secure, and if the user device is breached an attacker can dwell in the network for months, learning about a business, understanding its structure and staff, and using this to steal the most valuable data.

It is commonplace – especially during this pandemic – for files, online resources, and virtual meetings to be shared or initiated via links in emails. This is a dangerous game. Emails are easily replicated, and employees will often follow links sent to them without thinking, or properly inspecting sender details. Especially if the sender is a senior member of staff (or masking as one).

Remember, when it comes to links and attachments, employees are just one click away from giving a cybercriminal access.

If their machine is linked to a company server or contains credentials (such as saved passwords) allowing access to servers, it puts the entire network of an organisation at risk. This is why high-privilege credentials should only be given to those who absolutely need it, why it's important to train employees to be vigilant, and why server access and data traffic need to be monitored.

Logistics firms have always been susceptible to cyberattack. Toll Group have been attacked twice in the last 3 months, and their current CEO is no stranger to this susceptibility, since he was an executive at Maersk during the infamous ransomware attack of 2017.

The vulnerability is partly due to the nature of logistics, and its reliance on digital communication, but also due to the way their networks are built up over time – often comprising a full range of technology, from out-dated legacy systems right up to state-of-the-art Internet of Things (IoT) devices.

Both ends of the spectrum make logistics firms vulnerable.

One major problem, flagged by the CEO of WiseTech, is that Legacy systems are often held together by poorly designed 'spaghetti code', built in an era predating serious cyber security, and by people who have left the company. This makes issues hard to fix, and leaves holes for attackers to exploit.

More so than ever, businesses must think about cybersecurity holistically: people, policy, and process, as well as technology. People need to be educated about the new risks of working remotely, employers need to adapt their policies to facilitate this new work environment whilst keeping data safe, and security teams need to implement processes to enable this. Technology is important, but only when it is put into effective use.

Board directors play an important role in improving company cyber security infrastructure; for some advice on how to do this, see Cyber Citadel's recent white paper: Cyber Security Guide for Board Directors.

As always, it is better to prepare well than have to react to a security breach. Regularly test your system, make sure the network is up to date, and backup all your data securely including one offline version are some first steps to take. However, should a breach occur it's important to have a response plan ready, and to act fast.

For some useful information on dealing with attacks, especially ransomware, follow this link to The Issue of Ransomware and this Video Clip.

COVID-19 has generated plenty of challenging changes for businesses, and many of these changes will be here to stay. Those who rise to these challenges will be far more prepared for the future

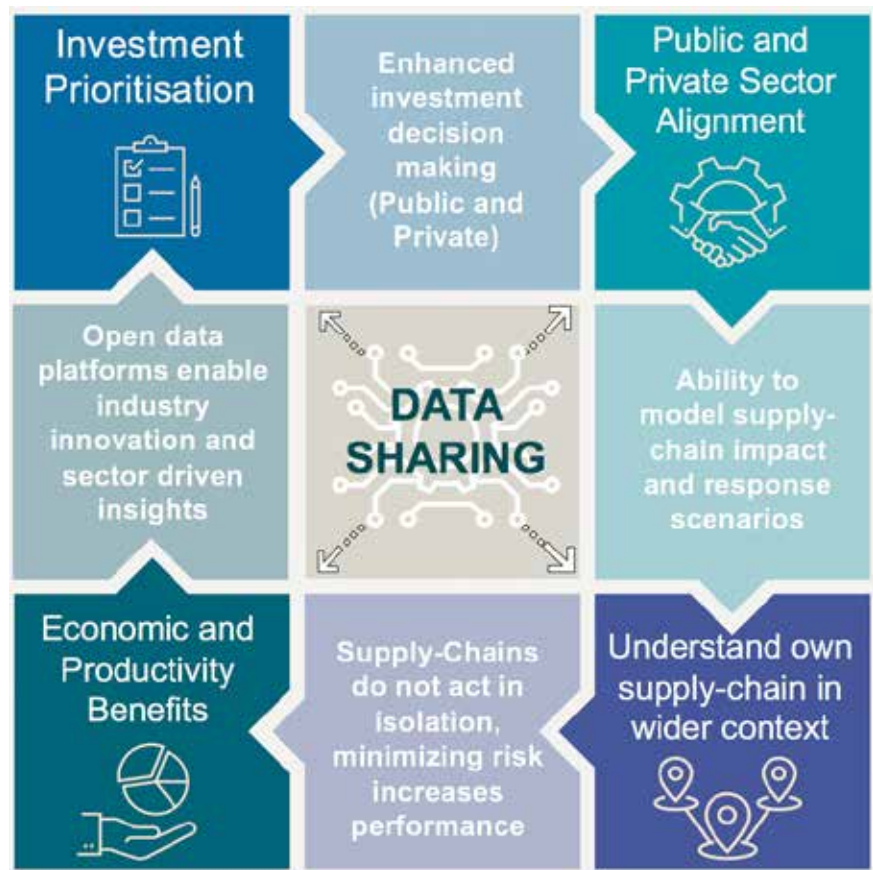




Why increasing the quality and availability of data is the best thing we can do for long term supply-chain resilience

By TRISTAN ANDERSON – Leader, Logistics and Infrastructure Policy - Infrastructure, Investment & Economics – GHD Advisory

Figure 1 Benefits of Data Sharing



COVID-19 has generated unprecedented disruption in the global logistics and freight industries, severely impacting operations and delivery activities. However, could these current challenges ultimately pave the way for a more streamlined, efficient and resilient future? Maybe, but without data who would know?

There are a plethora of thought leadership pieces and articles on ‘resilient supply-chains’, industry commentators telling supply-chain practitioners to ‘source more products from different places’ as if this is the panacea for a resilient supply-chain. Many are taking short term events and extrapolating them out to soothsay long term trends. Ambulance chasing and short-termism is a damaging distraction and no doubt unhelpful for those ‘in the trenches’ of our critical supply-chains, as if an exporter had never considered the diversification benefits of exporting to multiple markets.

Supply-chain practitioners, freight forwarders, logistics managers, transport dispatchers and network operators are the best placed to identify weakness in supply-chains, they are best placed to identify remedies that will increase supply-chain resilience. As consultants the best we can do is arm clients with the tools to enable this expert supply-chain knowledge to be leveraged to maximum effect.

Network optimisation, and dynamic simulation tools exist and they are powerful, able to identify bottlenecks, optimise routes and run response simulations based on disruption scenarios. But all these tools are worthless without high quality data, and this data needs to be sourced from well beyond your own organisation. Supply-chain resilience is about assessing how your supply-chain performs given changes in your external environment, but you’ll be surprised how few companies actually model external factors. Largely this is due to complexity, and

the lack of high quality freight movement, network capacity and productivity data.

Our international competitiveness depends on us getting this right but too often our insular thinking prevents us from sharing data.

“They say when two nations trade both economies are better off, it is the same with data.”

Governments have an important role to play as a trusted facilitator and data custodian however industry has to proactively support and participate.

Current initiatives such as the Port of Melbourne Container Logistics Chain

Study and the National Freight Data Hub are admirable undertakings but they need industry support. Both projects will make datasets available to inform better investment decisions, scenario modelling and other productivity enhancing initiatives. If your freight is not included in these datasets then it may not be considered in these important undertakings and investment decisions.

With modern data capture not only industry will be relied on for accumulating data, the use of mobile network data and optical recognition software have proven to be valuable tools for capture however industry contributions will always be required to ensure integrity and completeness.





Diversifying, Pivoting and Collaborating

Survival tools for a post-pandemic economy

BY KAI LINCOLN, Managing Director - SEKO Omni-Channel Logistics

Warning - what you're about to read could easily be considered a statement of the obvious.

As we've all been working to keep healthy during the COVID Pandemic, there has been considerable focus on the economic impact of business closures, unemployment and the likelihood of a significant period of recession. Through the years we've heard and learned about "recession proof industries" – those lucky segments of the economy that seem to survive regardless of the economic landscape. Grocery is a prime example (toilet paper – who would've thought?). Likewise, we see the recession susceptible industries who are often the first to get hit and the last to come back. Tourism is an obvious one (won't be investing in a cruise ship anytime soon).

Fortunately, during the last few months of business restrictions, as freight and logistics companies, we have been formally deemed as "essential services". That would seem to suggest that we are somewhat recession proof. However, as many of you know, it's not that simple. Our trading activity has a direct relationship with our clientele, and, therefore, our susceptibility to impact by recessions is often less about our business and more about our clients' businesses.

With that being the case, what tools are at our disposal to better insulate a company from unforeseen economic downturns in the future? In speaking to a number of businesses, it's become clear that as logistics providers we require a fundamental shift in the way we regard our customer base, our core competencies, our view on competitors

and our ability to change direction as quickly as possible.

Let's start with the first and probably the most obvious of these three – diversification. Any freight or logistics company knows that they don't want too much reliance on a single customer and, with this goal in mind, make conscious efforts to spread their risk across clients to insulate the impact a single customer could cause them. However, it is less common for companies to consciously spread risk across multiple industries (multi-nationals aside).

Whilst specialising in an industry segment is natural and is the backbone of many businesses, as we have seen in the last few months, too much reliance on a single industry could prove devastating. Any company that has a significant focus on apparel probably felt or are feeling the drop in demand. Statistics vary, but there is no doubt that sales within both online and traditional retail fashion fell off a cliff in March and it is unclear when they will fully recover. Other companies who find themselves moving goods for the tourism and hospitality industry would have also felt an immediate impact when doors began closing to customers in April.

How then do logistics businesses insulate themselves across more than just their customer base? Client segmentation is the first step. Though this is commonplace for the large multi-nationals, smaller companies need to ensure that they are looking at their customer base by industry segment and

are trying to identify off-setting industries that may act as barriers to impact. If you are moving goods predominantly for fashion-based retailers, how can you move more into the space of grocery or home-improvement. If you play in the world of residential construction how can you get more into infrastructure projects? Though there's a risk in being too diverse and spreading too thinly, there's definitely strength in having multiple pillars holding up your roof.

Business consultants love the next one, so apologies if you're tired of hearing it, but the ability for a business to pivot and adapt to change can be the difference between survival and death (sorry for the dramatics). Of course, the recent pandemic and the restrictions on trade isn't your typical 8-year recession, but one doesn't need a pandemic for a business to pivot. New opportunities for your clients, shifts in trend, changes in weather patterns and even a natural disaster might lead to a change in the services you need to offer your clients. Adapting to new requirements such as different sourcing locations, volume spikes and crashes, differing modes of transport, and specialised value-added services may require your business to remain nimble in the face of change.

These days a barrier to pivoting is more of a mindset challenge than a physical infrastructure issue. Willingness to operate differently often takes the ability of business leaders to ask themselves "why not?" and then find realistic answers that would prevent them from trying something new. "Because we've

always done it this way” is not a realistic answer. “Because we don’t have adequate cashflow” is a realistic answer, but even that can sometimes be solved through changes in thinking. Though Darwin was talking about animals at the time, businesses also must adapt or die.

Fortunately, if a business can progress beyond the mental barrier of change and are willing to pivot, the third tool available can help them with both adapting and diversifying. Collaboration across businesses is something that I have seen more in the last 2 months than I have in the last decade.

Speaking from our experience, we’ve bought space off competitors, sold space to competitors and swapped space with competitors. There’s been a general acceptance that we’re in uncharted waters and to survive we can’t play by the traditional rules. It would be easy to contend that if these levels of collaboration worked during a pandemic, why wouldn’t they work even better during normal times?

As a company looks to diversify its offering by pivoting to different

segments, what better way to ease into that change than by collaborating with a company who already has some of the expertise, equipment or locations to deliver the solution you require. Of course, the engagement model needs to be supported by adequate commercial and legal agreements, but just because someone is a competitor in one area doesn’t mean that they can’t be a service provider or customer in another area. It might also mean that your margins aren’t what you’re used to, however if you’re able to increase your overall volume of trade, and provide yourself some protection around an industry downturn, it’s still additional and diversified profit to your business that you wouldn’t have had otherwise. If we can begin to trust our ecosystem of like-minded companies – be they supplier, customer or even competitor, we can potentially benefit in ways that we previously failed to recognise.

So, while these might seem like no-brainer approaches to your business strategy, it may require a fundamental change to the way you have traditionally operated your business. The great

thing is, if a business can embrace and execute these levers of change, it might mean that the post-Corona world looks a lot brighter, a lot sooner, than you had originally thought. Furthermore, you may be better positioned for the next time the world gets turned upside down.

“ *How then do logistics businesses insulate themselves across more than just their customer base* ”



Do you need assistance with...

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- Biosecurity import commodity research and analysis
- Illegal logging
- Biosecurity approved third party arrangements
- Biosecurity Approved Premises
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- Biosecurity compliance
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- Designing screening processes using x-ray, metal detector and ETD.
- Investigate and propose the most appropriate equipment.
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- Provide insight into legislation in relation to piece level screening
- Provide assistance in attaining either off Airport RACA or Accredited Cargo Agent status

If your answer is YES, we can help



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Biosecurity wins and responding to the coronavirus pandemic

By LYN O'CONNELL - Deputy Secretary, Department of Agriculture, Water and the Environment, and Head of Biosecurity

It has been a very unusual start to the year. From bushfires to floods and now the COVID-19 crisis — we've faced many challenges already and the year is just halfway through.

Despite all that, we are working hard to keep our agriculture, fishery and forestry industries strong and protect our natural environment during these challenging times. Our biosecurity system remains in a good position and we continue to pursue our innovation agenda, improving the way we work.

You can find information about the impacts of COVID-19 on agriculture, trade and the environment on our dedicated Coronavirus (COVID-19) information hub (agriculture.gov.au/coronavirus).

International air freight assistance

The International Freight Assistance Mechanism (IFAM) is a \$110 million temporary and emergency measure to ensure the flow of agricultural products continues during the COVID-19 pandemic, and producers can service existing long-term international contracts.

My department is working with Austrade on the IFAM to address issues in international airfreight capacity and assist Australia's agricultural and seafood export sectors to maintain their relationships with customers in key global markets. IFAM importantly also focuses on bringing vital medical supplies, including medicines and equipment, into Australia for the ongoing health response to COVID-19.

I'd encourage exporters of traditionally airfreighted, high-value agriculture and fisheries products to complete the expression of interest form on our website to access the IFAM (agriculture.gov.au/IFAM).

Responding to African swine fever at home and abroad

We are also supporting industry by boosting African swine fever (ASF) measures. If ASF hit Australia, there's no doubt it could devastate our \$1.2 billion pork industry.

The Australian Government has provided \$66.6 million for more protection at our borders against this disease.

The funding will cover more biosecurity officers, new detector dogs, new 3D X-ray machines for the Sydney and Melbourne mail centres and a new squad of post-border biosecurity officers to help identify and target incorrectly declared products brought into Australia for sale.

It will also fund market access negotiations to facilitate continued trade if we did have an ASF outbreak.

Unfortunately, this disease poses a serious threat and it's now on our doorstep.

After a recent outbreak detected in Southern Highlands Province in March, we're working hard to support our neighbours in Papua New Guinea (PNG).

Biosecurity, logistics and communications experts from the department are assisting our Papua New Guinean counterparts to help contain the outbreak. Our aim is to help

PNG contain the virus and prevent its incursion onto our shores.

There's more work to be done, but PNG responded quickly, and we will continue to offer support as they work to contain this disease.

We also continue to monitor import pathways and conditions to make sure they address this risk.

Find out more at agriculture.gov.au/ASF.

Thanks for a highly successful 2019/20 BMSB season

Back in Australia, the 2019/20 Brown marmorated stink bug (BMSB) season is winding up and we have seen some outstanding outcomes.

Together with our industry partners, my department has taken a pro-active stance in ensuring this highly invasive pest doesn't reach our shores. Here, it would pose a very significant threat to Australia's \$24.6 billion agriculture, horticulture and grain export industries.

The number of countries known to have BMSB, or intelligence of BMSB being present, grew from 9 during the 2018/19 season to 32 for the current season. This presents new challenges as there are now a lot more countries with the potential to inadvertently 'export' BMSB to Australia.

To combat this risk, whilst ensuring the smooth processing of cargo, we implemented some important measures this season.

In conjunction with our New Zealand counterparts, we approved and registered 216 offshore treatment providers to manage the BMSB risk

offshore as much as possible. This allowed us to implement mandatory offshore treatment for break bulk and flat rack/open top containers for the 2019/20 season.

As a result, 65,493 containers/break bulk items — 40% of containers subject to BMSB — were treated offshore. This meant they were not subject to local BMSB intervention and sped up clearance times in Australia.

SeaPest, the new system we developed to manage LCL/FAK consignments at the container level, allowed us to process 9,358 containers and removed the need to manage 24,697 LCL consignments that otherwise would have been subject to BMSB intervention.

We undertook 250 seasonal pest inspections of vessels. This resulted in three vessels being turned around due to detections of live BMSB and other hitchhiker pests.

We saw a marked reduction in BMSB detections — from 63 post-biosecurity detections in 2018/19 down to 18 for the 2019/20 season. This is an impressive figure, given that risk has increased. Most notably, only four of these detections were of live BMSB, compared

to 31 live post-biosecurity detections in 2018/19.

To all of our importing, shipping and transport industry partners, thank you for a fantastic 2019/20 BMSB season. This is a great example of how industry partnerships generate fantastic results.

Innovating to enhance our biosecurity system

Partnering with industry also helps us innovate and address challenges in our biosecurity system to keep it strong.

Especially as pests and diseases continue to spread globally and the volume of imported cargo increases, we need to look at smarter, more efficient ways to work.

Our Biosecurity Innovation Program is funding a range of innovative projects that will help us face these challenges.

For instance, we have partnered with Hobart based company Iugotec Pty Ltd to develop a device that will provide a more effective and efficient method to detect BMSB.

The device uses new technology to help detect BMSB in shipping containers, without the need to conduct a manual search. The sensor can even distinguish between live and dead bugs. It's also

mobile, so it can be deployed anywhere in Australia.

This project will benefit both our biosecurity system and industry by improving biosecurity risk management and screening.

Other projects include improving X-ray technology to better detect seeds at our airports and mail centres, and DNA fingerprinting as a compliance and verification tool for imported dogs.

Our project partners are also investigating the use of virtual reality to train our biosecurity officers and using remote sensing technologies, such as drones, to identify and quantify feral pig populations.

I look forward to seeing these projects progress and the benefits they provide.

These are just some of the ways we are collaborating with industry and stakeholders to deliver innovative and cost-effective solutions to improve biosecurity risk management at the border.

We all have a role in Australia's biosecurity — it's everyone's business. I'm so pleased to see so many people working hard on the front line against the spread of pests and diseases.

Australian Biosecurity Awards 2020

Congratulations to Australian Peak Shippers Association (APSA) member, Manildra Group, and former Freight & Trade Alliance (FTA) employee, Andrew Crawford for receiving Industry Awards.

Lyn O'Connell PSM, Deputy Secretary - Department of Agriculture, Water and the Environment highlighted the importance of the awards *"It is important to recognise the efforts of those who help us keep biosecurity threats, such as ASF and BMSB, out of Australia. The Australian Biosecurity Awards provides that acknowledgement and ensures that those who go above and beyond receive the recognition they deserve."*

Manildra Group

In 2018, as the severe drought continued, Manildra Group applied to import wheat. Its stringent approach ensured that significant biosecurity risks were effectively managed.

Imported bulk grain relies on the application of strict measures and collaboration between industry and government to manage any potential biosecurity risks.

Manildra Group's approach ensured the biosecurity risks were managed along the entire import supply chain, through the establishment of a discrete program of work.

In addition to adhering to strict import conditions, such as sourcing grain from a low-risk country, the organisation also used a range of innovative solutions including implementation of a secure, closed loop system.

This also included investing in a watertight container system to prevent any leakage while the grain was transported from the port to the storage facility.

A tipping room was also built at Manildra Group's facility in Bomaderry to manage potential onshore biosecurity risks.

A comprehensive training program was developed for various roles within the organisation.





Manildra Group representatives - photos courtesy of Steve Keogh Photography

The program articulated the potential risks and the requirements for managing them at various points in the supply chain.

A biosecurity specialist consultant was engaged to provide strategic advice and inform the organisation's import approach. Manildra Group also held an information day to provide assurance to local grain growers.

Their approach demonstrated a commitment to managing biosecurity risks across the entire import continuum, through innovative and strategic solutions. Today, the organisation continues to investigate new and improved ways to support the import process.

Manildra Group was nominated by Sarah Bruce, Biosecurity Plant Division, Department of Agriculture, Water and the Environment.

Andrew Crawford

With a career spanning almost 40 years, Andrew Crawford is a veteran of the customs broking and international freight forwarding industry.

Andrew lives and breathes biosecurity. His contributions to Australia's biosecurity have been instrumental in educating and raising awareness within the industry. He has also played a key role as a conduit between government and industry.

At 17 years old, Andrew joined Frank Cridland Pty Ltd and in the early '80s Andrew became one of the youngest

licenced customs agents in NSW. During his time with Frank Cridland Pty Ltd, the company underwent a couple of name changes and ultimately morphed into BCR Australia Pty Ltd (BCR).

Andrew held numerous roles with BCR and Freight & Trade Alliance (FTA), before his recent move to Australian Container

Freight Services (ACFS) Port Logistics to manage its Biosecurity and Border divisions.

Throughout his career, Andrew has served on many biosecurity-related industry and government biosecurity committees. He has also supported improved industry awareness and education on biosecurity compliance and operational matters.

His contributions throughout various brown marmorated stink bug (BMSB) seasons have been invaluable. This has included educating and assisting industry on treatment options and mitigation strategies, as well as fielding and resolving thousands of industry inquiries over the past two challenging BMSB seasons.

Andrew steered significant BMSB reforms for less than container load cargo and supported the Department of Agriculture in reviewing safeguarding arrangements. He also participated in programs such as 2025 and beyond, along with other agricultural initiatives.

Andrew has been a long-time advocate for strong, fair and consistent biosecurity compliance and controls. Andrew believes this can be successfully facilitated, managed and achieved through a shared approach with industry.



L to R - Paul Zalai (FTA/APSA), Andrew Crawford (ACFS Port Logistics) and The Hon. David Littleproud (Minister for Agriculture) - photos courtesy of Steve Keogh Photography

Future thinking and future proofing.

By ANDREW CHRISTIE, Director - Andrew Christie Consulting

The only certainty in life, and business is change. If we take a moment to reflect, we will already be able to see just how much our business and industry has changed and we can be certain that there will be more change in the immediate and certainly long-term future.

“ *There is no doubt that paper-based systems are well and truly on the way out and technology moves at a rapid pace, it is imperative not to be too far behind.* ”



It is essential, as business owners that we are thinking about, anticipating and preparing for changes that will take place within our industry and therefore impact the way we go about our business. The changes may be policy or legislation, they may be environmental or institutional or even technological. Either way, they will be there and will you be ready?

Future thinking is something I discuss at length with my clients, as being short sighted or only focussed on the present, can mean missed opportunities for future growth as well as preparedness for change.

When assisting business with their immediate needs I always take the time to consider what would happen if this need grew quickly, how would you accommodate this growth? Similarly, what would happen if you were required to quickly diversify or amend your processes. Are there any systems you could put in place now that would make you more agile and able to 'jump on board' with limited disruption? This is not to say that we invest time and money in things we don't need, but rather stop and consider enhancements that, for minimum cost now, may equate to huge savings in the medium term.

Digitisation is also something worth considering. Is there a way to automate or digitise the way you do something? Could automation allow you to redirect skilled staff to other functions and allow faster processing, approval or reporting times? For an upfront cost could there may be a long-term saving. There is no doubt that paper-based systems are well and truly on the way out and technology moves at a rapid pace, it is imperative not to be too far behind.

Perhaps one of the most critical things to consider in terms of future planning

is the capability and readiness of your staff. How prepared are you to prepare them for the change (particularly if the change is imminent)? This is not to suggest that anyone can be prepared for the unknown (after all, you don't know what you don't know). What you can do, is have in place sound training and recording systems so you are across what training your staff have access to, and what they have completed. You can be across what industry or external training is available and relevant to your staff. This means that in the event you do need to upskill or reskill your staff, you can readily, and quickly identify and bridge the competency gap.

Finally, to be proactive is to avoid being reactive. You don't have to be passive in the change process. Working collaboratively with your industry bodies and peers allows us a mechanism by which we can initiate and influence change.

If we believe there are areas ripe for change, we should absolutely work together to drive positive outcomes for ourselves and our industry.





Business research improves risk detection in shipping containers

By BARBARA COOPER, Assistant Secretary, Compliance Controls, Department of Agriculture, Water and the Environment

Australia is a world-leader when it comes to biosecurity innovations. As the volume of passengers and cargo moving across our borders continues to increase, we understand the need to work smarter and more efficiently to address biosecurity risks.

Through the Business Research Innovation Initiative (BRII), small to medium enterprises are given opportunities to develop ideas to tackle national challenges, including protecting Australia from biosecurity threats.

The BRII Challenge is led and financed by the Department of Industry, Science, Energy and Resources.

One of the recent challenges posed through Round 2 of BRII was to develop new technologies to improve the way we detect and manage biosecurity risks on or in shipping containers.

Inspecting containers can be challenging, time-consuming and costly. Inspections currently rely on visual risk identification at the first pass. We are keen to explore all possible alternatives to physical inspection, including new technologies and computer algorithms.

Through round 2 of BRII, two companies — Trellis Data and Industry Spec Drones (ISD) — were awarded \$1 million each to progress proof of concepts.

Their projects will aim to deliver some valuable and exciting outputs that we hope will provide significant benefits for our biosecurity work at the border, as well as benefit industry by streamlining clearance of cargo.

The proof of concept being progressed by Trellis Data will develop a Biosecurity Automated Threat Detection System (BATDS). This system will use several high-resolution cameras that are mounted on ship-to-shore cranes, combined with artificial intelligence. It will allow automated, en masse screening of shipping containers for the presence of biosecurity risks.

Once operational, it is anticipated that the system will work in real time. Information on detections of biosecurity risks will be relayed to crane operators while the container is lifted from the vessel to shore, prompting them to set down the container in a designated area for further manual inspection. The same information will also be fed into departmental systems to support and improve risk-based policy and decision-making.

Trellis Data is also investigating whether the system can determine what pests and other contaminants may be present within containers. For this purpose, Trellis Data is developing a portable device that biosecurity officers will be able to use to scan the inside of containers.

Industry Spec Drones' project will use their Bioscan application, which is based on a hyperspectral imaging device that will use a wide range of electromagnetic wavelengths to identify organic materials and dirt on shipping containers.



Their proof of concept will include fully-fixed autonomous devices installed at key choke points, like ship-to-shore gantry cranes, a 'point-and-shoot' handheld device and Confined Space Unmanned Aerial Vehicles.

Both companies are working with stevedores at Port Botany, New South Wales, to develop their proof of concepts.

These are just two of the ways we are collaborating with industry and stakeholders to deliver innovative and cost-effective solutions to improve biosecurity risk management at the border.

The volume of cargo entering Australia is expected to double between 2015 and 2030, so we need to continue exploring alternative solutions.

The BRII program is supporting the department to work smarter and more efficiently at the border. We are excited to see what current and future BRII projects deliver for our department and Australia's biosecurity system.

We all have a role in Australia's biosecurity — it is everyone's business. It is great to see so many people working hard on the front line against the spread of pests and diseases.

Images Courtesy of Department of Agriculture, Water and the Environment



HIGH COST OF CIGARETTES FAILING TO DISCOURAGE SMOKERS

ILLICIT TOBACCO CONSUMPTION AT RECORD HIGH

Australia's illicit tobacco consumption has reached an all-time high and as tobacco excise pushes the cost of cigarettes to record levels, a new report has revealed one in every five cigarettes smoked is an illegal product.

The annual KPMG in the UK Report into illicit consumption in Australia found the illicit trade now accounts for around 20.7% of total tobacco consumption, a huge increase from 14.1% last year. This is supported by the number of undeclared tobacco seizures, which rose to 286,663 in 2018/2019, an annual increase of 46%.

"Rather than discouraging people from smoking, we believe that multiple tobacco excise increases have sent smokers to the black market in search of cheaper tobacco," Imperial Brands Australasia's Head of Corporate and Legal Affairs Kirsten Daggar-Nickson said.

"In its submission to the Parliamentary Joint Committee into Law Enforcement earlier this year the Australian Border Force said excise increases may impact the size

of the illicit tobacco market, as the rising cost of licit tobacco may drive increased demand for cheaper alternatives, including illicit tobacco."¹

Ms Daggar-Nickson said smoking rates in Australia had remained relatively flat since 2014, despite the world's toughest tobacco control measures.

"There are still around three million smokers in Australia with official data showing that between 2014-15 and 2017-18 the daily smoking rate remained 'relatively similar', only declining from 14.5 per cent to 13.8 per cent.

"Already there are an estimated 227,000 vapers in this country² who import smoke-free products such as nicotine-containing e-cigarettes and heated tobacco devices because they are not legally available in Australia.

"Smoke-free products are already available in more than 50 countries around the world. In order to achieve its 10% smoking rate goal, the government should acknowledge that smoke-free alternatives can play a role and have a positive impact on public health in Australia."

Ms Daggar-Nickson said the illicit tobacco trade is supporting the criminal activities of syndicates with links to terrorist groups instead of funding vital government projects.

"The Police Federation of Australia says it is universally agreed that serious and organised crime is behind the illicit tobacco trade, with investigations suggesting it is under the control of Asian and Middle Eastern crime gangs, and fears links are being established with South American gangs."³

"This is a massive issue which needs to be addressed. Since the illicit trade was first measured in Australia in 2012, evaded duty has cost the Government more than \$12 billion," she said.

"As recently as mid-April police charged a man with terror links who had also been involved in the illicit tobacco trade, further proof of these syndicates operating in Australia⁴."

"We know many small businesses are suffering severe losses and facing closure as criminal elements continue to flush the market with illicit products. Organised crime continues to strengthen its foothold, actively operating via the dark web and offering refund guarantees for seized orders.

"Federal Government agencies including the Australian Border Force (ABF), Australian Tax Office (ATO) and the Illicit Tobacco Taskforce (ITTF) have had encouraging success dismantling larger operations but increased funding and resources must be directed to state based investigations.

"In addition to more resources directed at a Federal level, we need targeted, state-based taskforces to focus on retail enforcement in suburban areas."

Media contacts: Shannon-lee Mackay, Imperial Brands Australasia: 0408654478 or Luke Holmesby, Philip Morris International on 0447407454.

Report Link: https://www.imperialbrandsplc.com/Kpmgaustralia_5th_May_2020.pdf



Kirsten Daggar-Nickson, Head of Corporate and Legal Affairs – Imperial Brands Australasia



KPMG in the UK undertakes economic analysis, commissioned by the tobacco industry, in a variety of jurisdictions. The OECD considers the methodology of KPMG the "most authoritative assessment of the level of counterfeit and contraband cigarettes" in the EU. The 'Illicit Tobacco in Australia' report was prepared by KPMG LLP in the UK and is an independent piece of work which gives a reliable insight into the level of illegal tobacco consumption. It was commissioned by Phillip Morris Limited and Imperial Brands Australasia. KPMG in the UK recognises the wider public policy context within which governments decide regulatory and fiscal changes for the tobacco industry, and that the analysis in this report only considers one aspect. KPMG in the UK expresses herein no view, nor makes any recommendation, in relation to future policy for the industry in this regard.

https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Law_Enforcement/IllicitTobacco46th/Submissions
<https://www.sciencedirect.com/science/article/abs/pii/S0306460318310189?via%3Dihub>
https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Law_Enforcement/IllicitTobacco46th/Submissions
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BorderWise: access comprehensive customs information from a single window

With global supply chains under pressure and many companies embracing large-scale remote working, 2020 has been uncharted territory for even the most agile logistics organisations.

As public officials worldwide continue to take the ongoing and necessary steps to contain COVID-19, access to real-time and accurate customs information on changes to border controls is critical.

BorderWise brings together a range of border compliance data – including law and regulation, tariffs and duty rates – and advanced search functionality for customs brokers, legal experts and other trade professionals.

It delivers detailed information from many sources with speed, quality and accuracy, giving you peace of mind so you can focus on your core business and customers.

Navigate the complex world of border compliance

In an environment where commercial imperatives put pressure on the need for speed, quality and accuracy may be compromised. This can result in increased exposure to non-compliance and ultimately penalties. For trade professionals, compliance is not an option – it's the law.

BorderWise's Daily Updates dashboard provides the key changes and updates from authorities on import and export restrictions and prohibitions.

For example, it recently featured the joint World Customs Organisation and World Health Organisation HS Classification Reference for COVID-19 medical

supplies, which was published to help speed up cross-border movement of these essential goods.

Global roll-out continues

BorderWise's customs and border reference library provides access to the World Customs Organisation's Harmonised System publications, with over 150 books per country library for Australia, New Zealand, South Africa and the United States.

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Importing and exporting personal protective equipment – not as simple as it seems

By RUSSELL WIESE, Principal – Hunt & Hunt Lawyers

In the midst of the COVID-19 crisis some international traders have looked for an opportunity and found it in the form of supplying personal protective equipment (PPE). However, those looking to make money off the demand for such products need to be aware that both the import and export of PPE is highly regulated. A failure to comply with the law can result in the seizure of the goods by the Australian Border Force (ABF).

What goods are regulated – Exports

The market for PPE is global and demand hotspots will change as the coronavirus spreads to new areas. It may be the case that as Australia gains control over the spread of COVID-19, demand in Australia for PPE decreases. If there are stockpiles of PPE in Australia, it can be expected that there will be many traders looking to export PPE to foreign markets.

These may be traders who imported the goods without any regulatory restraint and who expect that exports will be similar. However, the export of PPE is strictly regulated. From 30 March 2020 Australia prohibited the export of certain PPE. The restrictions apply to:

- (a) disposable face masks;
 - (b) disposable gloves;
 - (c) disposable gowns;
 - (d) goggles, glasses or eye visors;
- provided that when worn, are capable of limiting the transmission of organisms to humans.

In addition, the regulations apply to certain disinfectant products being alcoholic wipes and hand sanitiser.

The above definitions mean that the prohibitions could apply to goods that are not intended to be used to combat COVID-19. The PPE need only be “capable” of limiting the transmission of organisms. A dust mask may limit the transmission of organisms, but has the primary purpose of preventing the intake of dust. The unintended creep of the legislation will not be a problem when the export of the goods is in the ordinary course of the exporter’s business (see below).

The restrictions apply absolutely to any export by post. An exporter cannot obtain an exemption. Where the export is other than by post, there are certain exceptions. Where a business exports for commercial reasons the export is permitted where:

- the exporter manufactured the goods;
- or
- the exporter exports the goods in the ordinary course of the exporter’s business.

The legislation does not define when an export is in the “ordinary course of business”. An export will clearly be in the ordinary course of business where there is a history of the exporter exporting similar products. There will be interesting arguments around whether “ordinary course of business” covers:

- a business that trades in a wide variety of goods depending on seasonable demands;

- the exporter trades in medical products, but has not previously traded in PPE;
- the exporter trades in cleaning products but has not previously exported disinfectant products;
- the exporter makes domestic sales of PPE, but has not previously exported the goods.

Exporters are urged to be cautious and only seek to use the “ordinary course of business” exception where there is a proven history of exporting PPE or disinfectant products.

Import regulations

The import restrictions applying to PPE are not new and apply where the PPE is a regulated medical device under the *Therapeutic Goods Act* (TGA). Where goods are regulated under the TGA, the PPE can only be imported by, or on behalf of, the registered sponsor.

Not all PPE is registered by the TGA. As a general rule, non-sterile protective or safety apparel or equipment when used in the home or for occupational or recreational use is not regulated by the TGA. An important issue is whether any therapeutic claims are made about the goods.

Masks, gowns and gloves that are presented or claim to be for therapeutic use are regulated. Examples are surgical or examination masks. A claim that a product is sterile will usually be consistent with the PPE being a regulated medical device.

While for tariff classification purpose, customs brokers are trained to focus on the objective features of the goods and not the goods intended use, for TGA purposes, it is important to take into account the environment in which the goods are likely to be used and the likely



uses of the PPE. That is, how will the goods be used after importation.

While there is a distinction between TGA and non-TGA goods for regulatory purposes, there is not for the purpose of obtaining tariff relief. Between February 2020 and July 2020 imports of certain PPE will be duty free. The duty-free entry will apply to certain PPE that is identifiable as a medical or hygiene product that is capable of use in combating coronavirus. The ABF has set out that the wording of the concession is designed to be as wide as possible and that it is not a requirement that the goods be approved TGA goods. Before using the concession, importers should satisfy themselves that the goods can be used to combat the spread of the coronavirus and when worn are capable of limiting the transmission of organisms to humans.

Importantly, the concession is based on "capable use" not actual intended use. The concession could apply to PPE that has a use completely disconnected from the spread of coronavirus, provided that the terms of the by-law are met.

Consequences of non-compliance

Where the import or export is not permitted, the goods are a prohibited

export or import. The Customs Act 1901 imposes significant consequences for the import or export of prohibited goods. Perhaps most significantly, prohibited imports and prohibited exports are forfeited to the Government. This means that title in the goods is transferred to the Government without the Government being required to provide compensation.

If goods are seized by the ABF, the importer or exporter can make a claim from the return of the seized goods. A claim for return may be successful where the importer or exporter can show that the goods do not fit within the definition of a prohibited import or export. However, the ABF does not have the discretion to return forfeited goods merely on the grounds of fairness.

Lodging a claim for the return of seized goods can have serious unintended impacts. If a claim is made, generally the ABF either has to return the goods or commence a prosecution relating to the prohibited import or export. This means that if a wrongful claim for the return of seized goods is made (and not withdrawn) the exporter/importer may face following consequences:

- loss of the goods without compensation;
- a fine;
- their legal fees associated with defending the prosecution; and
- the ABF's legal costs of the prosecution.

Advisors

Customs brokers and logistics professionals need to ensure that their clients are aware of the above restrictions. It is also important to appreciate that the export regulations may be lifted at some stage in 2020. Keeping traders updated should mean that they are aware of what export options are available to sell the goods should there be a change in their intended market.

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Imports of Undenatured Ethyl Alcohol of an ABV of 80% or greater for use in manufacturing hand sanitiser in Australia.

By SUSAN DANKS, Head of Customs and Regulatory Compliance – Freight & Trade Alliance (FTA) Pty Ltd

Imported undenatured ethyl alcohol that is imported with an alcohol by volume (ABV) content of 80% or greater, and that is for use in manufacturing hand sanitiser in Australia, is subject to customs duty, when imported, of 5% plus \$86.90 per litre of alcohol. While a Free Trade Agreement may remove the 5% substantive rate, it does not remove the \$86.90/LAL EEG (excise equivalent good) rate. There is no applicable TCO for the goods as imported and little chance of obtaining one as the good is manufactured in Australia. As you may be aware, a Tariff Concession Order (TCO) cannot specify end-use, but bylaws are able to do so. Freight and Trade Alliance (FTA) therefore approached the Australian Border Force (ABF) to request consideration that a new bylaw be made providing that goods could be imported duty free for use during the Covid-19 pandemic (or such other emergencies as might be decreed) and an Item 57 4th Schedule bylaw was subsequently made. However, while it covers goods such as personal protective equipment (PPE) and ventilators for use in the pandemic, it does not cover undenatured ethyl alcohol because of the significant quantities now being manufactured in Australia in response to the need for it.

The suggestion that FTA has been providing to the many members that have reached out to us for assistance and advice is for the importer to consider warehousing the goods



in a dual licensed facility administered by the Australian Taxation Office (ATO) on behalf of the ABF. If the warehouse has an excise manufacturer licence to produce or distil spirits the warehouse can, without additional approvals, produce hand sanitiser and then report it by using the duty free-rate tariff item on their Excise return. The imported spirit will then be treated as locally manufactured, and subject to the concessional excise rate administered by the ATO.

The procedure which has been confirmed by the ATO, is as follows:

- As imported the goods are classified under the Customs Tariff, and subject to customs duty. The comparable excise duty rate would be 3.2% and a duty of \$86.90 per litres of alcohol. Until such time as they are used in the manufacture of an excisable product, they are subject to customs duty. To make them subject to excise you need to manufacture them (i.e. reduce or blend with an Australian manufactured spirit). This excisable alcohol can then be used as a concessional spirit to make hand sanitiser.
- A Nature 20 is lodged to enter the goods into a bond licensed by both the ABF and ATO.
- A Nature 30 is then lodged quoting treatment code 444. This takes it out of the customs system and puts it in the excise system.
- In the bond the undenatured alcohol is further manufactured and then manufactured into hand sanitiser, provided the bond holds manufacturing in bond approval for alcohol from the ATO. This process must involve further manufacture of the undenatured ethyl alcohol and may involve a reduction in strength giving the LAL of the undenatured product coming in is much higher (>80%) than the minimum approx. 60% recommended for hand sanitiser. *(The ATO advise (as we know) that making hand sanitiser by itself is not considered to be excise manufacture as the sanitiser is not an excisable product. You cannot therefore go from an imported undenatured ethyl alcohol straight into making sanitiser. There needs to be excise manufacture in-between hence the excise manufacturer licence requirement. Blending and/or reduction is therefore first required and then the resultant product can be used to make hand sanitiser.)*

- The manufacturing bond writes off the quantity used at the end of its settlement period on its excise return. If the excise licenced manufacturing bond uses alcohol, which has been blended or reduced to make it excisable, to then make hand sanitiser they would report the alcohol under excise tariff item 3.7, which has a free rate of duty. .

Please note that procedures other than as above may be subject to permits granted by the ATO for an operator to receive and use duty free rate products.

- If the spirit is imported and then intended for use in making hand sanitiser, and this will be undertaken by licensed third parties (for example, imported into a licensed warehouse and subsequently manufactured into hand sanitiser/cleaner at that dual licensed premise as above), then the importer does not need licences or permissions from the ATO.
- If the importer intends to undertake this activity at their own facility, and they are not already a licensed operator, they must apply to the ATO for these licences. Applications are available on the ATO website, but note that fees apply both for warehouse licences and applications:
 - Warehouse licence: [https://www.ato.gov.au/Business/Excise-and-excise-equivalent-goods/Excise-equivalent-goods-\(imports\)/Customs-warehouse-licences/](https://www.ato.gov.au/Business/Excise-and-excise-equivalent-goods/Excise-equivalent-goods-(imports)/Customs-warehouse-licences/)
 - Excise licence: <https://www.ato.gov.au/Business/Excise-and-excise-equivalent-goods/Alcohol-excise/Applying-for-an-excise-licence--alcohol/>

Other licensed entities (for example, breweries) can also apply for permission to manufacture or obtain spirit for the purposes of producing hand sanitiser. ATO has advised that they will fast-track these applications and aim to process them within 1–2 days. Once approved, the goods are reported using the free-rate tariff item on the Excise return.

Other non-licensed entities, such as hospitals, pharmacists, health care practitioners, education institutions, and government institutions can all receive an unrestricted amount of concessional spirits to meet their manufacturing, scientific or medical needs. This does not require a permit.

Is Australia's anti-dumping system causing more harm than good?

By RUSSELL WIESE, Principal – Hunt & Hunt Lawyers

In May 2020 talk of a trade war between Australian and China was ignited by China's decision to impose massive dumping and countervailing duties against Australian exports of barley. The accusation from Canberra was that the dumping duties were a response to Australia's calls for an independent inquiry into China's handling of the coronavirus. We will never know if the claims are true and part of the reason is that China's use of the dumping system is consistent with how the system is used by other WTO members, including Australia.

To understand dumping duties, it is important to understand the WTO rules. When a country joins the WTO it agrees that, subject to certain exceptions, it will treat all other WTO members equally and not raise tariffs against just one member. An exception to this is where dumping is proven.

Under the WTO rules, an Australian exporter engages in dumping where that exporter sells goods to a foreign country at a price that is less than the price at which the same goods are sold in Australia. Dumping is not illegal, or even wrong. In many instances it would be seen as a positive. (How often do Australian consumers complain that imported goods have a higher price in Australia than in foreign markets?) The WTO rules allow a country to impose dumping duties where dumping causes material injury to the local industry of the importing country.

The Chinese investigation into the alleged dumping of Australian barley commenced in 2018. Dumping investigations often exceed a year and it is not surprising that the results of the investigation would be made known in 2020. It may well be that the results were deliberately timed to send a message to Australia in respect of its comments regarding coronavirus. However, given the process had begun in 2018, it is simply not possible that the investigation has connection to a coronavirus inquiry.

If Australia wishes to characterise China's use of the dumping system as a political tool, our politicians need to be willing to answer some hard questions about Australia's own use of the dumping system. In a report from January 2020 the WTO stated:

"Australia is a relatively frequent user of anti-dumping procedures by international comparison. In the period 1995-2018, it initiated 344 anti-dumping investigations and imposed a total of 156 anti-dumping measures, making it the 6th most active WTO Member in the launch of investigations."

As a trade lawyer, I often help importers and exporters tackle dumping duties imposed by the Australian Government on imports from a variety of countries. The countries Australia currently imposes dumping duties on include China, the US, Malaysia, Vietnam, Indonesia, Sweden, Japan, France, Singapore, Greece, Spain and South Africa. Clearly, this is not a list of Australia's political enemies.

The duties apply to range of products and increase the cost of living for all Australians. Products impacted include A4 copy paper, wind towers, power transformers (required to get electricity from power plants to homes), steel pallet racking (found in every distribution centre) and base materials used heavily in construction and manufacture such as aluminium extrusions and steel pipes. The duties can exceed 100% and can effectively kill imports of a product from the target country.

On top of the existing dumping duties, as at May 21 2020, Australia is currently conducting 8 new investigations on goods from Malaysia, China, Sweden, Thailand, USA, Korea, Taiwan, Turkey and Vietnam.

The first reaction to Australia's use of the dumping system will be to claim that duties are only imposed in accordance with WTO rules. The credibility of such claims was severely damaged in December last year when the WTO agreed with Indonesia's claim that Australia had incorrectly imposed dumping duty on Indonesian A4 copy paper. Most importantly, the Australian error that resulted in Indonesia's WTO win, had also infected dumping duties imposed by Australia on Chinese aluminium and steel.

While Australian exports are not often the target of dumping investigations, the

Chinese barley investigation is not unique. The US (even under President Obama) imposed dumping duties against certain Australian exports. India is another country that has targeted Australia. For instance, India is currently investigating the alleged dumping of newsprint in rolls or sheets from Australia.

If Australia wishes to claim that the imposition of dumping duties is the first sign of a trade war, it is important that Australia reviews its own use of the anti-dumping system. The Australian Productivity Commission in 2016 claimed that there was no compelling economic rationale for Australia having an anti-dumping system. It even went as far to say that the system was, on a national welfare basis, making Australia worse off.

This Productivity Commission reached this position prior to China using its own anti-dumping system against Australia. If there is any link between Australia's frequent imposition of anti-dumping measures and the volume of similar claims brought against Australian exporters, the detriment of the system to the overall economy is even greater.

Regardless of whether or not China timed its barley dumping duty announcement for maximum political impact, the reality remains that Australia cannot be a strong critic of another country imposing dumping duties. As a country, Australia is one of the heaviest users of the dumping system and has been found not to have acted in accordance with WTO rules.

Australia is rightly seen as a leader of global trade liberalisation. Its voice as an advocate of free trade will be all the stronger if it revisits its own use of anti-dumping measures. As noted by the Productivity Commission, a total rethink of policy may be required, including whether there is any economic justification for maintaining the system. There will be an urgent need for such a review if Australia's own use of the anti-dumping system results in retaliatory measures from our trading partners.

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Australian Trusted Trader – partnering with you

By the Department of Home Affairs

With COVID-19 disrupting global supply chains, there has never been a better time to become a Trusted Trader. Over 750 Australian Trusted Traders are saving time and money at the border, and leveraging a genuine partnership with the Australian Government to navigate the unique challenges 2020 has presented.

Australian Trusted Trader collaborates with Trusted Traders to identify challenges they face at the border, and develop innovative solutions that provide a tangible benefit. By engaging with Trusted Traders to develop the benefit, Australian Trusted Trader ensures that benefits are demonstrated improvements to supply chain processes.

Consolidated Cargo Clearance was one of the first benefits developed in consultation with Trusted Traders. This benefit cuts the red tape for Trusted Traders when importing consolidated cargo. Trusted Traders can lodge a single import declaration for consignments covered by multiple cargo reports for all sea and air cargo, paying only a single Import Processing Charge (IPC). In the last twelve months, Trusted Traders have saved over \$1.5 million with the Consolidated Cargo Clearance benefit.

In 2019, Australian Trusted Trader announced the Origin Waiver benefit, eliminating the need for Trusted Traders to obtain or present Certificates of Declarations of Origin in order to claim preferential rates of duty under nine Free Trade Agreements. Following this announcement, a Trusted Trader proposed that the benefit be expanded to include preferential treatment for goods originating in least developed and developing countries. After a short feasibility assessment, Australian Trusted Trader implemented the expansion. Today, Trusted Traders are not required to obtain or present origin certification documentation for goods originating from over 90% of economies globally.



The Duty Deferral benefit was implemented in 2018 after a Trusted Trader proposed it. Duty Deferral allows eligible Trusted Traders who defer Goods and Services Tax (GST) to defer the payment of duty to a consolidated monthly payment. This benefit assists Trusted Traders through increased cash flow and a reduction in administrative processes. In the last twelve months, Trusted Traders have deferred over \$18 million in duty.

While Australian Trusted Trader has an impressive suite of benefits already, there are a number of new benefits that in development with Trusted Traders. The Consolidated Cargo Reporting benefit will take Consolidated Cargo Clearance a step further, with the ability to consolidate a number of suppliers on one cargo report. Trusted Traders are currently piloting this benefit.

The Less than Container Load (LCL) benefit is in development after a Trusted

Trader sent a proposal to Australian Trusted Trader. This benefit would be available in the event where all the consignments in the container belong to a Trusted Trader and are destined for the same physical delivery address, and reported by a Trusted Trader cargo reporter. It would allow the LCL container to be delivered straight to such an address without incurring the unnecessary costs of deconsolidation and reconsolidation at a section 77G depot. This benefit would represent significant savings for Trusted Traders.

Australian Trusted Trader is a progressive demonstration of how the Australian Government is collaborating with business to secure our borders and facilitate legitimate trade in Australia, while saving businesses time and money. Becoming a Trusted Trader will give your business a unique opportunity to influence the future of trade in goods, and test innovations that overcome challenges at the border.



Australian Government



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TRUSTED TRADER



Shaping the future of trade

Australian Trusted Trader (ATT) reduces red tape at the border and expedites the flow of cargo in and out of Australia, saving you and your clients time and money.

ATT is free to join with no ongoing fees. It is the future of international trade. Help your clients. Enhance your business.

Join and get your clients to talk to us today.

WWW.ABF.GOV.AU/TRUSTEDTRADER

Can you or your clients afford to not join?

“Being a Trusted Trader demonstrates our commitment to customer service and excellence in international supply chain security. All Australian businesses involved in importing or exporting goods should apply and benefit”

Björn Johansson
Managing Director of Kuehne + Nagel Australia

COVID-19. The perfect time to E.A.O

By MATTHEW BROWN, Sales Director - The Compliant Group

Did the impact of COVID-19 leave you feeling vulnerable to significant shifts in the market?

Did the impost of COVID-19 negatively impact your service?

There have been a number of stories circulating within the industry regarding COVID-19's virtually immediate impact. Some have been stories of success, some not so much. The success stories were generally (but not always) from companies who had already taken steps to minimise their risk, upskill their workforce and maximise their productivity.

They've achieved this in 3 stages – **Eliminate, Automate and Offshore!**

Eliminate:

Companies that were able to adapt quickly to the changing environment were companies that had already progressed on their productivity journey, eliminating wasteful processes in their operation and digitising their workflows enabling them to scale up or down and removing the need for work to be performed in a specific location, such as the office.

Two popular ways of eliminating waste that have been widely talked about in improving a company's COVID experience are:

1. Saying goodbye to paper:

With advancements in industry software solutions, the need to work with physical documents and physical files is virtually obsolete. Besides being an unnecessary burden on the environment and generating significant issues including lack of space, costs of storage and printing of those documents, when COVID struck, companies still using paper based files were restricted to working in the office at time when social distancing was highly recommended.

2. Streamlining SOP's:

Standard Operating Procedures have often been viewed as a 'set and forget' document (if they exist at all). A document that you show new staff on their first day to familiarise themselves with their job function – that doesn't really capture their entire job function, because over the years that function has changed, and the SOP has not. Streamlining SOP's enable senior management to take stock of what job functions actually are in 2020, allowing them to review SOP's, amend or delete outdated practices and deliver a boost in productivity.

Combining both advancements in industry software and reviewing SOP's, often leads companies to

Automate:

Remember when we used to clear bills with cheques? Or physically take job files to Quarantine or Customs? Anyone who joined the industry in the last 10 years will not. Because these tasks are now done online. Online payment systems, online document transfer eliminated two of the most time-consuming tasks in international freight forwarding and customs clearance. System advancement has moved even further in 2020, enabling virtual connections between offices and stakeholders, seamless data transfer in the blink of an eye, and if the data is already in a system (any system), chances are you can connect the systems to automate the interchange of data and once the data is in your system there are so many tasks that do not need to be manually performed. Companies that had undertaken their automation journey had less tasks to worry about how they would be performed during COVID

Offshore:

Companies with offshoring teams were immediately at a significant advantage with the cliff dive in volumes brought on by COVID. These companies have previously

identified relatively high cost, non-revenue generating (and often menial) tasks and outsourced those tasks to an offshore provider, enjoying a reduction in those costs of up to 70%. This then enabled them to invest more time & money in upskilling the majority of their local workforce to revenue generating, solution-based approaches to serving their client base and enabled them to weather the COVID storm more easily by having a cost base far lower than their competitors. Many people are divided on this subject. There are so many tasks that your local staff do not want to be doing, they are not enjoyable and provide little job satisfaction for them – perhaps job satisfaction could be improved by shifting these tasks to an outsourced provider, reducing costs for your business and increasing your staff's job satisfaction could be a good outcome for your customers....happy staff is generally associated with better customer service.

With so many things that you cannot control during global pandemics or any other aspect of business, it is important to control the things that you can to ensure the best chance possible of survival in these unprecedented times.



For anyone wanting a gap analysis on any of this, or would like SOP reviews and process mapping performed, CBP are offering this service free of charge to the first 10 companies to reach out to me at matthew@compliantbusinessprocessing.com.au or alternatively give me a call on +61407280155

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So are we.

At CBP, we speak your language.



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ABOUT CBP

- Established in February, 2017
- 100% Australian owned subsidiary of The Compliant Group.
- Currently provide 200+ staff working for 22 companies from five different countries
- 24/7 service delivery available

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To find out more about advertising in Across Borders or how to become an APSA / FTA sponsor, please refer to www.FTAlliance.com.au or contact us at info@FTAlliance.com.au



What's on...

Calendar

of events 2020/21



Freight & Trade Alliance (FTA) is accredited by the Department of Agriculture, Water and the Environment (to deliver CBC training) and by the Australian Border Force (to deliver licensed customs broker CPD training) allowing members to receive high quality, practical, cost effective and flexible solutions.

Further details and to book your place please go to www.FTAlliance.com.au/Upcoming-Events

CONTINUED BIOSECURITY COMPETENCY (CBC)

FTA has received advice from the Department of Agriculture, Water and the Environment that **ONLY** one activity will need to be completed to maintain accreditation for the 19.2. Automated Entry Processing for Commodities (AEPCOMM) Approved Arrangement for the current period (1 April 2020 to 31 March 2021).

Note: No mandatory training for NCCC accredited persons and no Information Session for either NCCC or AEPCOMM is required.

MARK YOUR DIARY - the Department will host a live webinar on **4 August 2020**.

A recording will be made available by the Department in the days following this delivery for those that were not able to participate in the live webinar.

MAINTAIN YOUR ACCREDITATION - FTA will make the associated assessment available online for the CBC Activity 20-21/01 via www.ComplianceNetFTA.com.au immediately following the live webinar on **4 August 2020**.

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SYDNEY - Thursday 17 September 2020

4.00pm to 7.00pm

Novotel Sydney International Airport, 22 Levey Street, Wolli Creek

WOMEN IN LOGISTICS

2021 Women in Logistics Forum – celebrating Women's International Day

Monday, 8 March 2021

12.00pm to 4.00pm

Novotel Sydney Brighton Beach Hotel, Cnr Grand Parade and Princess Street, Brighton Le Sands

CPD BORDER COMPLIANCE PROGRAM (24 CPD POINTS)

SYDNEY

Friday, 5 February & repeated
Saturday, 6 February 2021 8.30am to 4.30pm
Novotel Sydney Brighton Beach Hotel,
Cnr Grand Parade and Princess Street,
Brighton Le Sands

MELBOURNE

Friday, 12 February 2021 & repeated
Saturday, 13 February 2021
8.30am to 4.30pm
Hyatt Place Melbourne, 1 English Street,
Essendon Fields

BRISBANE

Wednesday, 17 February 2021
8.30am to 4.30pm
Novotel Brisbane Airport, 6 – 8 The Circuit,
Brisbane Airport

PERTH

Saturday, 20 February 2021
8.30am to 4.30pm
Hyatt Regency Perth, 99 Adelaide Terrace, Perth

ONLINE TRAINING

FTA and APSA offer practical online training at www.ComplianceNetFTA.com.au with resources and online assessment available at listed prices. Members are offered unlimited Continuing Professional Development (CPD) and Continued Biosecurity Competency (CBC) training for \$150 (excl GST) per person per accreditation period (1 April to 31 March). Further discounts are offered to businesses with multiple purchases with the option for an all inclusive invoice for FTA Premium Membership and CPD / CBC training - price on application to czalai@FTAlliance.com.au

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