



AFIF – Not for Profit, by the Industry for the Industry.

AFIF 2020 National Conference and Gala Dinner

Novotel Sydney, Brighton Beach – Friday 29 May 2020

Conference Website and Program Released – [REGISTRATION Now Open](#)



On behalf of the AFIF Board and the organising sub-committee we are delighted to announce that Registration is now open for the 21st Annual AFIF 2020 National Conference and Gala Dinner to be held at Novotel Sydney, Brighton Beach, on Thursday 28 & Friday 29 May.

The event will begin with a **Welcome Cocktail Reception** on **Thursday evening, May 28th**, with the main Plenary Sessions of the **Business Program** held throughout **Friday 29th May**. The event will conclude with our traditional Industry **Gala Dinner on the evening of the 29th May**.

What to expect this year

AFIF has responded to members' feedback to continue the same popular format we delivered in the past 2 AFIF conferences, namely a **One Day Business Program** focussed on providing vital, topical content, with speakers and panels tackling issues and latest updates that members need to understand.

The organising committee have prepared an engaging, topical, interactive conference.

- Welcome Reception
- Plenary Sessions of the Business Program
- Spectacular Gala Dinner
- Exhibition and Trade Show
- Sponsorship opportunities
- Networking with industry professionals

The Program has subjects that deal with related matters affecting all of business and include the near to medium-term futuristic topics that will soon be commonplace. We recommend this Program and the event for you to consider either a combined Day/Dinner package or to attend the day Business Program only.

AFIF is once again looking forward to welcoming you to this year's AFIF National Conference and Gala Dinner,

Circle **Friday 29 May 2020** in your diary, it's shaping up to be the annual industry event not to be missed and we're hoping to see you there!

To visit the Conference Website and view all information and to [REGISTER - Click Here](#)

If you would also like to consider a Sponsorship and/or Trade Exhibition package, please download the Sponsorship and Exhibition Prospectus, or contact Brian or Jodie (02)93143055 afif@afif.asn.au

VALE Anthony Stokes

Official Notice to AFIF

'It is with deep sadness that we advise that Anthony Stokes passed away on Tuesday 11th of February after a short period of illness.

Anthony is survived by his wife Barbara, his two sons Lluna and Ian, as well as two beloved granddaughters.

Anthony Stokes began his working life as a Professional Engineer, working for various companies including a Swedish based multinational firm, before coming into the family business of Customs Broking in the 1980's.

He followed in his father's and grandfather's footsteps to obtain his Customs Broker's licence and to take over the ownership and management of C. Stokes & Co, now STOKES and BELL Pty Ltd.

Amongst Anthony's passions was to be of help to others in life. He was an active Rotary International member.

Anthony and his wife Barbara travelled extensively through their lives, both for pleasure as well as business and industry related conferences.

They combined these passions by travelling overseas on Rotary Assist missions to places in South East Asia to assist those in need in those countries.

Our thoughts and condolences are with his wife Barbara, his family, friends and colleagues.

Funeral details are as follows:

**Memorial Service at Cordell Chapel
Fawkner Cemetery, Sydney Road, Fawkner
Monday 17th February
1:15 pm to 2:15pm**

Those attending the funeral are invited to stay for refreshments afterwards at Northern Memorial Park.'

"Anthony was a long standing member of AFIF and contributed significantly to our industry. This news is of great sadness having had a particularly good business relationship with Anthony and Barbara over the years, our deepest condolences to Barbara and the whole family"
Brian Lovell, CEO, AFIF

NEWS & ACTIVITIES



Novel Coronavirus (Covid-19) Update

Further to last week's update on the Novel Coronavirus, trade and freight movements continue to deteriorate.

The extended Lunar New Year in most provinces officially ended on 9 February, although most factories and offices remained closed or opened with a token level of staff.

The Chinese manufacturing model is highly dependent on migrant workers from inland provinces like Hubei (Wuhan) that live at the factories and return home for holidays like Lunar New Year.

Aside from uncertainty around when factories actually reopen, staffing could be impacted by continued transportation issues, quarantine periods for some workers, or the simple fact that people may not return to work after the holiday due to fear of catching the virus in crowded factories.

Supply chains are affected as truckers, warehouse staff, cargo handlers, manufacturing staff would not be able to return to work for longer than expected.

Analysts' logistics sources have compared the situation to a port strike in which each day of inactivity leads to a delay in an order of up to one week. Analysts also say there is product in Chinese factories and distribution centres that haven't begun to travel to their intended destinations.

Trade Impacts

Aviation and tourism industries are most impacted.

Border and biosecurity restrictions have not been applied on imported cargo at the Australian border.

China Ports and Airports Impacts

- Shipping ports are still operating. Restrictions apply at Wuhan port.
- The loading/discharging operation at ports has slowed down due to a lack of stevedores labour
- The land transportation of cargo into the port or from the port is insufficient since trucks without a local license are restricted to enter into the port area
- Carriers are publishing more blank sailings in line with reduced container volumes being shipped at Chinese ports
- Airports are operating but the collapse in demand for air travel and subsequent flight cancellations has affected belly hold space on passenger aircraft
- Freighter aircraft are continuing to fly to and from China
- The shortage of space availability and the likely surge in demand when factories re-open will lead to pressure on rates

Australia Impacts

Vessels

As outlined in the AFIF Bulletin last week, *Novel Coronavirus - Restrictions on Ships Arriving into Australia from China* -

- Refer to ABF Notice below regarding the 14 days rule on Restrictions on entry to Australia relating to Novel Coronavirus for Commercial Vessels.
- Local stevedores operations continue as usual

Airlines Flight Cancellations

- As the Australian Government has issued a travel block on non-Australians citizens travelling from mainland China to Australia and blocked the return of 100,000 Chinese students due to resume studies at Australian Universities for now, flight cancellations and further schedule adjustments have occurred.
- Significant reduction in direct flights from China to Australia in the past week.
 - Air China has cancelled services to Beijing until Feb 29 and to Chengdu until 28 March.
 - Qantas cancelled passenger services to Shanghai and Beijing from 9 Feb-29 March. Qantas freighter services to China continue
 - Beijing Capital, Hainan, Sichuan, Tianjin Airlines, XiamenAir have cancelled services until the end of March 2020
 - China Eastern and China Southern have consolidated daily flights to 3 or 4 flights per week for the present time
 - Cathay Pacific:
 - 30% global passenger flight capacity cut
 - 90% of China passenger flights cut
 - capacity trimming in all regions - South West Pacific passenger flights will be cut by 20% in March.
 - Global Freighter Network in-tact and where possible will be ramped up to fill any gaps.
 - Virgin Australia
 - Melbourne to Hong Kong flights cease from 11 February
 - Sydney to Hong Kong flights cease from 2 March
- There are indirect carriers serving China that have announced flight cancellations for a period of time.
- Please check with the carrier for further information.

Impact at the Australian Border

AFIF has been in contact with ABF and AWE Senior Management and we are advised there is no border and biosecurity restrictions on imported cargo at the Australian border.

Exports continue, although members should first confirm with their customer and their overseas offices and agents the goods are 'OK to Send'.

Documentation

AFIF has raised the developing issue of the impact on border clearance due to cargo arriving and the non-receipt of shipping documentation - B/Ls, Biosecurity permits, Certificates of Origin (COO), Commercial Invoices, etc. held up in unattended offices in China due to Lunar New Year and government restrictions on movements in some places.

There has been no change to the advice received and published last week.

The Department of Agriculture, Water and the Environment (AWE - the department) has advised AFIF as follows.

The Department is closely monitoring for any impact of the restricted business activities on documentary clearances for goods imported from China. The department understands the freight industry is becoming concerned these restrictions may impact access to required documentation for goods that were shipped around the time of Lunar New Year.

At this stage we have not seen impacts necessitating revisions to our documentary policies.

Your members should continue to follow normal procedures for clearance of goods subject to biosecurity control. Where this means the cargo will be held pending documentation, movement of goods to an appropriate class of Approved Arrangement site can be requested.

We are in touch with departmental staff posted in China to receive information about any port closures etc. that may impact cargo bound for Australia. We appreciate the assistance of the freight industry with also sharing any evidence you have of the impacts of the restricted business activities with the department. Written correspondence demonstrating that issues obtaining documents are directly attributed to the Coronavirus restrictions can be emailed to entrymanagement@agriculture.gov.au This will help the department keep informed of the issue and make decisions should the need arise.

ABF advises their first priority has been securing the border, particularly airport and seaport arrivals of people. ABF is aware of the potential issue and is monitoring progress of the situation. ABF will provide an update if necessary.

- Missing B/L for goods in transit – discuss with the bank a Bank Guarantee or discuss with the shipping line whether an Express Release is possible.
- Missing Certificate of Origin – ABF advise to lodge the entry and pay the Duty and when the COO is received claim a refund within 12 months.
- Chinese treatment certificates – AWE will accept copies of certificates for assessment purposes but reserve the right to request originals, as required.

As the situation is very fluid and supply chain disruptions are ongoing, AFIF recommends members to keep in close contact with customers, overseas offices and agents and monitor government updates to work through commercial solutions. AFIF will keep members informed of developments.

More information about the coronavirus can be found on the following websites.

Australian Department of Health - [Novel coronavirus information sheet – what you need to know.](#)

World Health Organisation - <https://www.who.int/>

TT Club has published useful guidance for freight forwarders - ***The Coronavirus and Freight Forwarding - how managing the spread of coronavirus is impacting freight forwarders and logistics operators*** <https://www.ttclub.com/resources/coronavirus-guidance/>

Full article reproduced below in International News section.



Australian Government
Department of Home Affairs



**Australian
BORDER FORCE**

ABF Notice – Restrictions on Entry to Australia Relating to the Novel Coronavirus for Commercial Vessels

On 1 February 2020, the Prime Minister of Australia announced that any foreign travellers who have left or transited through mainland China on or after 1 February 2020 will be refused entry to Australia, in order to minimise the potential spread of Novel Coronavirus.

Australian citizens, permanent residents, New Zealand 444 visa holders who would normally reside in Australia and their immediate family, legal guardians and spouses will be exempt from these measures, but will be required to self-isolate for a period of 14 days after leaving mainland China.

The ABF, working with partner agencies, will establish advanced screening and reception arrangements to facilitate identification of those individuals to whom these measures apply.

The ABF acknowledges the impact this will have on operations.

All vessel masters will be required to answer the following health screening questions as part of their entry reporting:

- *Have any persons left or transited through mainland China since 1 February 2020?*
- *Have any persons become ill or shown signs of illness in the past 14 days?*

ABF and Biosecurity officers remain responsible for border clearance processes. Vessels that report ill persons will undergo a human health inspection by a Biosecurity Officer on arrival in Australia, and before the vessel is granted pratique.

Vessels that report persons who have been in mainland China within 14 days (commencing on or after 1 February 2020) will be subject to additional restrictions outlined in this document.

For Commercial Vessels that departed mainland China prior to 1 February 2020

- Standard Biosecurity requirements and restrictions will apply. You must still identify any ill traveller or member of the crew as part of your pre-arrival report.

For Commercial Vessels that departed mainland China on or after 1 February 2020 and arrive within 14 days of last port being in mainland China

- All crew will be restricted on-board while the vessel is berthed in Australia.
- Crew are only able to disembark to conduct essential vessel functions and crew must wear personal protective equipment while performing these functions.
- The restrictions above apply until 14 days has elapsed since the vessel or any person on board left mainland China.

For Commercial Vessels with crew joining from mainland China

- Where a commercial vessel has crew joining the vessel and that crew have travelled to or transited through mainland China on or since 1 February 2020, all crew are to remain on board the vessel.
- Crew are only able to disembark to conduct essential vessel functions and crew must wear personal protective equipment while performing these functions.
- The restrictions above apply until 14 days has elapsed since the vessel or any person on board left mainland China.

For Maritime Industry

- Industry members engaging with commercial maritime vessels subject to the restriction outlined above should consider the use of personal protective equipment.
- Maritime Pilots will be provided personal protective equipment for the initial engagement with those vessels subject to restrictions.

Local Port Authority

The requirements outlined in this document are required to facilitate border clearance of vessels and their crew. Local port authorities may have additional requirements over and above those outlined.

The ABF appreciates your ongoing support and cooperation during this time. For additional support, please contact the Border Operation Centre at +61 1300 368 126.

For general information concerning the Novel Coronavirus please refer to the Department of Health website (<https://www.health.gov.au/health-topics/novel-coronavirus-2019-ncov>)

Further Information - [Visa cancellations – enhanced border control measures](#) (weblink)

Australian Customs Notice No. 2020/08 - Rates of Exchange and the Day of Exportation – Valuation Date Treatment Clarified

For considerable time, the Valuation Date for applying the rate of exchange on the Import Declaration has been impacted by ascertaining the date at the place of export. ie. where goods are packed in a container, the **day of exportation** is the day the container leaves the place where it was packed.

The importer may or may not be aware of this date and unable to provide the information at the time of the licenced broker creating and lodging the import declaration to ABF. In lieu of having this information at hand, the 'shipped on board the vessel date' is used. However, the broker was exposed to strict liability penalties due to a different valuation date being used.

The *Trade and Goods Compliance Advisory Group, including AFIF*, has engaged with the ABF on this issue and we are pleased to advise the ABF has issued an ACN clarifying the position and requirements in using 'shipped on board the vessel date', to better assist brokers.

Valuation Date Treatment Clarified - [ACN 2020/08 - Rates of Exchange and the Day of Exportation](#)

AFIF commends the ABF in responding to industry concerns and improving the interpretation.



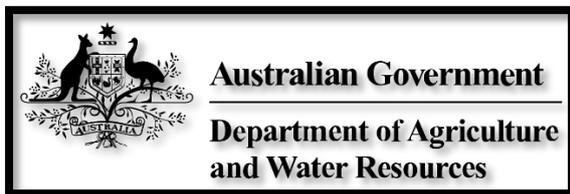
Peru-Australia Free Trade Agreement (PAFTA) Enters into Force Tuesday 11 February 2020

The Peru-Australia Free Trade Agreement (PAFTA) enters into force on Tuesday 11 February 2020.

All information on PAFTA Including ACN 2020/07 can be found at <https://www.abf.gov.au/importing-exporting-and-manufacturing/free-trade-agreements/peru>.

The PAFTA Guide, circulated to you prior to publication, has now been finalised and can be accessed at this link. <https://www.abf.gov.au/free-trade-agreements/files/fta-guide-peru.PDF>

Further Information - <https://dfat.gov.au/trade/agreements/in-force/pafta/Pages/peru-australia-fta.aspx>



AWE – Commercial Business Branch – Relocation of Melbourne Regional Office

IAN 2020-02 - 12 February 2020

Purpose

This Industry Advice Notice (IAN) is to notify stakeholders who interact face-to-face with the department that our three Melbourne offices will relocate to a single premises in mid-2021.

Summary of changes and key points

The following Melbourne offices will relocate to a single premises at the Younghusband Woolstore site, 10 Elizabeth Street KENSINGTON VIC 3031, in mid-2021:

- Customs House, Corner Grants and Centre Road, MELBOURNE AIRPORT VIC 3045
- 255 Melrose Drive, TULLAMARINE VIC 3043
- Lot 2/5 McClure Road KENSINGTON VIC 3031.

Background

Following a review of its future accommodation requirements, the Department of Agriculture, Water and the Environment, identified and considered a number of possible sites. The Younghusband Woolstore, a building presently undergoing refurbishment in Kensington, was selected as the most suitable site.

Centralising three existing sites into one office will further strengthen the integration across our business and enhance our ability to deliver the department's functions.

Contact information

If you have any questions regarding this IAN please email [MRO relocation](#).

Peter Moore
A/g Assistant Secretary
Commercial Business Branch

AWE – Current Notices and News

- [23-2020 - MARS unavailable from 23:00 Saturday 15 February to 00:30 Sunday 16 February 2020 \(AEDT\)](#)
- [22-2020 - The department is implementing a number of new commodities onto the Compliance Based Intervention Scheme \(CBIS\)](#)
- [2020-03 - Commercial Business Branch – Relocation of Melbourne regional office](#)
- [21-2020 - PEBS unavailable from 23:30 Wednesday 12 February to 05:30 Thursday 13 February 2020 \(AEDT\)](#)
- [20-2020 - Service Disruption: From 23:00 to 23:59 Tuesday 11 February 2020 \(AEDT\) – BICON, COLS, MARS, PEBS](#)
- [19-2020 - Amendment to 16-2020 Offshore Brown Marmorated Stink Bug \(BMSB\) Treatment Providers Scheme: reinstatement of Italian treatment provider - Centro Disinfestazione Livornese Srl \(IT4004SB\)](#)
- [Plant Biosecurity Advice 2020-P02 - Release of the final report for the review of biosecurity import requirements for fresh strawberry fruit from Japan](#)



dnata Amendment of Terminal Service Fees Schedule - Effective 1 March 2020

dnata has issued the following Customer Notice and Amended Tariff of Terminal Service Fees.

12 February 2020

Customer Notice: Annual Revisions of Terminal Service Fees – effective 1st March 2020

Please find attached dnata's annual review of Terminal Service Fees for our Australian network of terminals. We note this revised Terminal Service Fees will take effect from 1st March 2020.

From late February 2020 the schedule will also be available at <https://www.dnata.com/en/global-network/Australia>.

Key Revisions for the 2020 publication:

- *Dangerous Goods Acceptance Inspection – Export*

The Initial Inspection Fee charging mechanism has been simplified for ease of administration. Whereas charges were previously levied with reference to the number of UN's (greater than 3 UN's) and/or the number of pieces (greater than 10 pcs) per declaration, charges will now be levied only with reference to the number of pieces (greater than 10 pcs).

- *Terminal Handling Fees:*

General revision of export and import handling fees reflecting the underlying cost of service. dnata appreciates your continued support and should you require any further clarification or additional information your local cargo manager will be able to assist.

Please do not hesitate to contact your local manager directly.

- *Adelaide Cargo - Andrew Speight +61 8 8150 1100*
- *Brisbane Cargo - Milo Hartley +61 7 3635 4610*
- *Melbourne Cargo - Ronald Adrian +61 3 8318 7726*
- *Perth Cargo - Niamh Cooke +61 8 9479 8229*
- *Sydney Cargo - Keith Filander +61 2 9352 7948*

Terence Yong, Head of Cargo, dnata

Links:

[dnata Customer Notice](#)

[dnata Update of Tariff 1 March 2020](#)

AFIF Comment

AFIF is unable to comment on the quantum of the fees, though we have raised with dnata Management the use of 3 decimal points on a cents per kilo rate.

Example -

- Import Terminal Handling Fee loose cargo - \$0.54.8 cents/kg
- Export Terminal Handling Fee loose cargo - \$0.15.2 cents/kg

dnata acknowledged the concerns raised and will seek to improve the process in future.



Patrick Terminals – Landside Access & Terminal Ancillary Charges: Effective 9 March 2020

As expected Patrick have announced increases to various Landside Access and Terminal Fees, effective 9 March 2020.

Following is the Announcement from Patrick.

Patrick has completed a review of its Landside charge (previously Infrastructure surcharge) and other Terminal Ancillary charges. The Landside charge, which recovers a portion of the full costs associated with providing landside operations, is essential to continue to provide our customers with superior and efficient landside service levels.

The Landside charge recovers a portion of the costs that relate to:

- *capital investments and commitments made to dedicated infrastructure that services our landside interface operations. Patrick continues to make significant capital investment and commitments for the benefit of its customers*
- *maintenance and operational costs associated with providing our landside interface operations and property and property related costs*

As part of the review of the Landside charge, and in response to government and key stakeholder feedback, it has been decided to differentiate the fees charged between import and export containers.

This approach recognises the significant challenges currently being faced by our exporters from drought and bushfires.

Accordingly, effective from 9 March 2020, the following Landside charges will apply on full containers that enter and leave Patrick's terminals:

Import Containers

- *Sydney \$114.50 per full container*
- *Fisherman Islands \$110.00 per full container*
- *East Swanson Dock \$125.80 per full container*
- *Fremantle \$50.00 per full container*

Export Containers

- *Sydney \$82.50 per full container*
- *Fisherman Islands \$82.50 per full container*
- *East Swanson Dock \$82.50 per full container*
- *Fremantle \$25.00 per full container*

The Landside charge will be applied to both road and rail transport operators for all full container movements, both import and export, made at the Terminals. Road operators will be invoiced electronically via 1-Stop while rail operators will have the charge separately itemised on their rail invoice.

In addition, Patrick has adjusted its other Terminal Ancillary charges. The latest Landside and Terminal Ancillary Tariffs have been published on Patrick's website (www.patrick.com.au). Container Operator Terminal Ancillary Tariffs are available on Patrick E-Link.

We remind customers that ongoing access to the Terminals is conditional upon prompt payment in accordance with Patrick's standard terms and conditions.

We regret this change to our cost structure but without sacrificing infrastructure investment and further performance improvements, we have been left with no alternative in the current economic challenging environment.

Please contact your Patrick representative should you wish to discuss these changes.

Yours sincerely,

Michael Jovicic

Chief Executive Officer

Patrick Terminals

[Link Patrick Schedule of Charges Effective 9 March 2020 - SYD, MEL, BNE, FRE](#)

AFIF Comment

AFIF is restricted in commenting on the quantum of fees applied by service providers, however in terms of principle, the inexorable rise in fees applied by the stevedores at the Landside continues unabated.

Infrastructure surcharge increases are scaling ever greater heights.

Patrick has decided to split the infrastructure surcharge into a lower rate for export containers and a higher rate for import containers.

AFIF supports a lower rate for exports, which will assist beleaguered exporters dealing with drought and bushfires.

However, it appears the price of this support is borne by importers and Australian consumers with higher import infrastructure levies.

AFIF accepts the stevedores need to recover costs and a return on their investments to deliver a profit for shareholders, however the increases are consistently in double digit percentages and out of step with Australian business conditions.

The stevedores' ongoing increases in landside charges, to support "infrastructure investment and rebalancing revenue from water side to land side to account for landside costs", is a well-worn path.

AFIF has highlighted on previous occasions, the stevedores are in a pseudo-oligopoly position whereby the increases in landside charges are unrestrained. The charges are non-negotiable. The ACCC has limited power to influence stevedores' behaviour.

Is there a willingness by State governments to take action, beyond the Pricing Reviews, Inquiries and Industry Engagement, which ultimately tell us what we already know? ie. contained in the [ACCC Container Stevedoring Monitoring Report 2018-19](#)

AFIF and industry participants will not give up and continue to lobby governments to legislate a cap to this unrestrained practice.



NOTICE

Further to AFIF Bulletins this week on the 'YM Eternity Detained at Port Botany', Yang Ming Line has released the following Customer Advisory, responding to media reports.

Customer Advisory - Yang Ming's Statement Regarding Media Reports on YM Eternity Arrest Incident 11 February, 2020

Yang Ming Marine Transport Corp. (Yang Ming) is aware of a number of media reports circulating regarding Yang Ming's vessel YM Eternity was arrested in Sydney on February 9th, 2020. To avoid any further misleading to the public, we would like to make the following statement in response to media reports on the incident:

- 1. Yang Ming would like to confirm that YM Eternity has been released from arrest on February 10th, 2020 and normal cargo operations has been resumed immediately.*
- 2. Yang Ming regrets any inconvenience to Australians and apologizes for the conduct of Australian Maritime Safety Authority ("AMSA") in arresting the YM Eternity in a way that caused unnecessary and maximum inconvenience to Sydney customers on a Sunday and without any notice.*
- 3. With regard to the YM Efficiency incident happened in June 1st 2018, Yang Ming and our insurer responded quickly and effectively to the incident with the immediate allocation of very significant resources and manpower to the loss of the containers and their contents. Yang Ming has been ever since committed to keeping the Hunter Coast pristine and working with the New South Wales Government to ensure all debris that could possibly be associated with the incident is cleaned up within hours of its being reported – even if it was not actually from cargo on the ship. These clean-up operations were at very large expense, all paid by Yang Ming and our insurer.*
- 4. Yang Ming, in association with New South Wales Government and AMSA, organized for sonar scanning of the sea floor commencing after the incident and that has continued subject to weather and safety considerations since.*
- 5. All of the containers lying on the sea floor are in deep water (about 120 meters) with most of the containers lying outside of the Australian territorial sea. Expert reports obtained by Yang Ming conclude that attempting to remove the containers will cause more risk of environmental damage than leaving them in place. The operations to remove the containers shall result in plastics within the containers being released into the ocean. As a consequence, these experts have recommended, considering all the environmental factors, the containers are best left on the sea floor pending further monitoring off the release of plastics from the containers.*



Australian Women's Leadership Symposia

The Australian Women's Leadership Symposia are a national series of events focused on the experiences of women leaders in the contemporary workforce.

Taking place in every state and territory capital between May and September, the Symposia are an unparalleled gathering of the best and brightest female talent. Keynote speakers include: Nova Peris, Ita Buttrose, Libby Trickett, Ann Sherry, Catherine Fox, Tammie Matson, Sallyanne Atkinson and many, many more.

The events will feature a range of presentations, panel discussions and interactive sessions covering a highly captivating range of topics.

An attendance discount of 25% is currently available by entering code ANSY20 at the time of booking (available until each symposium sells out).

For more information and to book: www.wla.edu.au/symposium

INTERNATIONAL NEWS



FIATA e-Flash No 217 – 10 February 2020

FIATA has issued its FIATA e-Flash No 217 – 10 February 2020 covering a range of global trade matters.

[FIATA e-Flash 217 – 10 February 2020](#)

FIATA Welcomes Decision by Ocean Carriers during Corona Virus Breakout

Container shipping lines are exempting detention and demurrage in China during the extended Chinese New Year holiday period amid the rapid spread of the new coronavirus. CMA CGM and Orient Overseas Container Line have joined other carriers' moves to waive container use charges amid the prolonged holidays in China put into effect to tackle the coronavirus outbreak.

Days after FIATA issued its [press release](#) calling for carriers to adopt corporate responsibility during the Corona virus crisis, we welcome the decision from ocean carriers in not charging demurrage or detention fees during the virus outbreak.

In FIATA's [Submission to the FMC inquiry last year](#), we urged the commission to ensure that freight forwarders are able to compete on a level playing field by the provision of a fair and realistic delivery period free of demurrage and detention for containers. FIATA questioned the justifications for charging demurrage and detention fees and to what extent the practice was meeting the intended purpose of moving cargo through the port in a timely manner.

For more details, please visit: <http://www.cma-cgm.com/news/2925/china-operational-impact-due-to-coronavirus-lunar-new-year-holidays-extension-update-4->

AFIF Comment

AFIF supports the position outlined in the FIATA Press Release concerning the downstream effects arising from restrictions on the movement of goods and people in China due to the coronavirus.

- Containerised freight captured in ports or depots in China or at destination ports
- Border clearance delays here, arising from missing or delayed receipt of shipping documents while factories, offices and banks in China are closed or operating with skeleton staff.

These are examples where importers or freight forwarders are potentially exposed to container demurrage and detention fees exposure applied by the shipping lines.

The FIATA and AFIF position is clear... where events are outside the control of the international freight forwarder (which are caused by or happening in China) then shipping lines need to address their position on the levying of such charges.

AFIF strongly urges members to be aware of their possible exposure to such fees under these circumstances and to negotiate strongly with their respective line.



50 years of established expertise

The Coronavirus and Freight Forwarding

How managing the spread of coronavirus is impacting freight forwarders and logistics operators

The following guidance to freight forwarders is supplied by TT Club for the information of members.

Introduction

This briefing considers the potential impact on ocean freight and supply chain management activities of freight forwarders and logistics operators should steps to curtail the spread of coronavirus continue to disrupt the movement of goods. While key concerns will distil to delays and potentially cargo deterioration, the following provides some guidance on the potential risks to freight operators and how to mitigate them.

Ocean container supply chains include physical, clerical and data entry processes, many of which involve people congregating and interacting in large concentrations.

Physical cargo packing operations inherently involve human interaction. Similarly, clerical and data entry processes are normally executed in the offices of a range of supply chain stakeholders, including forwarders, ships agents, terminals, banks and customs authorities. Apart from data entry and validation activities, and despite increasing levels of digitisation, the industry continues to have moderate reliance on transferring and dealing with physical documentation.

Currently, many businesses in China have implemented "working from home" procedures. Despite IT functionality, where offices remain closed for protracted periods, it is likely that customs and transport documentation will be disrupted, potentially leading to problems delivering cargo at destination.

Impacts on freight forwarders and logistics operators

Commercial Impact

Any reduction in goods handled and shipped could have a significant impact on customer revenue. There is also the risk that key customers will lean on forwarders to provide, without a contractual obligation to do so, more expensive "workarounds", such as airfreight and using non-core ocean service providers to perform voyages.

In general, apart from office closures in China, many companies have implemented restricted travel regimes. As a result, expected business travel related to securing transactions or continuing servicing relationships are likely to be disrupted. Inevitably, remote conferencing technologies provide a measure of continuity. It will be important to maintain clear and open communications.

Legal Assessment

Special Contracts

Whilst much of the forwarding industry operates without specially negotiated contracts (relying on incorporation of standard trading conditions), some forwarders have in place supply chain or freight management agreements with their key customers. In such cases, it is necessary to review all specific customer contracts for ocean-related services and identify the obligations on the supplier to perform in contexts such as the coronavirus. Is the forwarder or its agent required to issue FCRs[1] and/or bills of lading? Is the operator required to undertake consolidations? Is it responsible for export customs formalities, etc.? Some agreements are based on the customer's standard purchasing terms and may consequently be very customer friendly with few exclusions to benefit the supplier. As well as identifying obligations, forwarders should identify any "force majeure" clauses in their agreements and pre-emptively send notices to customers setting out the problems in China and invoking their force majeure right to be discharged from their obligations to perform.

Industry Standard Terms

Where an operator trades on industry standard terms (such as national association forwarding conditions), it is prudent to send force majeure notices. Further, while the precise date of the commencement of the situation may be open to argument, taking on new transactions relating to a supply chain reliant on fulfilment in China requires detailed scrutiny and probably specific legal advice.

Communications to customers

It is crucial for freight suppliers to keep their customers abreast of all problems experienced by other stakeholders in the given supply chain, such as vendors, hauliers, lines, agents and terminals. To rely upon a force majeure clause or to be discharged of an obligation under general law, an operator needs to evidence that the customer's losses and any failure to perform were caused by matters genuinely and reasonably outside its control. Suppliers will generally be contractually required to consider and implement any reasonable "workarounds" if they involve modest additional cost.

Communications to other supply chain stakeholders

Freight forwarders and logistics operators need to maintain a paper trail to minimise the risk of claims and to evidence that they did everything reasonable to avoid the customer's losses. Keep written records of communications with supply chain stakeholders and contractors and send them notices holding them to their contractual obligations. A high-level summary of the steps taken and problems encountered should be included in communications to customers.

Destination Problems

Clearly, it is not only problems in China itself that should be considered. If original bills are not produced and/or not couriered to destinations, there is the risk that forwarders, purchasers and lines will have to find "workarounds".

If a line issued an original bill of lading to the Chinese agent or network office of the customer's forwarder but it has not found its way to the destination forwarder/agent owing to reasons outside its control, then as a "workaround", the line is likely to demand a letter of indemnity (LOI) at destination prior to delivering the container to a party who is unable to present the original bill.

Failure to provide a line with an LOI could delay the goods being released and lead to container detention charges being incurred. This can easily turn into a large sum if the line exercises a lien and stores the container at the terminal for a long time. Given that the freight forwarder will want to pass all costs payable to the line onto the customer, it should keep the customer informed about all detention and hold the customer responsible for it. If large detention sums are demanded, legal advice should be sought.

The requirement for an LOI should not generally arise if the line has only issued a waybill. Forwarders and logistics operators may find it advisable therefore, where possible, to instruct lines only to issue waybills.

As well as original line bills not arriving at destination, there is also the risk of house non-vessel operating carrier (NVOC) bills not arriving. Particularly in the circumstances of the coronavirus, but also generally, operators are advised to take great care before releasing goods without the receiver

presenting an original house bill. Insurance coverage will be prejudiced where claims arise from intentional release of cargo without presentation of an original bill.

Legal advice should be obtained and, if the operator agrees to accept an LOI from the customer/receiver, it should ensure that the wording clearly responds to the risks arising and the party issuing the LOI is good for its money. LOIs should be signed by a first class bank as the party providing the indemnity or as guarantor of the customer as the indemnifying party. If the customer/receiver refuses to provide an acceptable LOI, legal advice should be sought.

It is also possible that customers/receivers abandon cargo at destinations if bills are unavailable, “stop” instructions have been issued by vendors and/or substantial detention charges have accrued. Forwarders should work proactively to avoid the costs, customs complications and operational problems arising from abandoned cargoes; specifically, avoid the temptation of doing nothing in the hope that the problem will resolve itself.

Claims in China

There is a risk of claims from sellers against forwarders and logistics operators and/or their Chinese agents/network offices. If sellers fail to get paid owing to clerical or data entry problems, or because the buyer has received the goods but failed to pay, they are likely to claim against the party issuing the forwarder’s cargo receipt (FCR) or NVOCC bill in China. Before any goods are released to receivers, operators should check that sellers have not issued stop notices to them or their Chinese agents/network offices or intimated a claim should the goods be released. LOIs provided by buyers/receivers should expressly cover this risk. If stop notices or claims have been intimated then operators are advised to seek legal advice.

TT Club gratefully acknowledges the assistance in the preparation of this briefing of Craig Neame, Partner with the international law firm HFW.



IATA – 2019 Worst Year for Air Freight Demand Since 2009

IATA released full-year 2019 data for global air freight markets showing that demand, measured in freight tonne kilometres (FTKs), fell by 3.3% compared to 2018 while capacity (AFTK) rose by 2.1%. This was the first year of declining freight volumes since 2012, and the weakest performance since the global financial crisis in 2009 (when air freight markets contracted by 9.7%).

In the month of December, cargo volumes contracted 2.7% year-on-year while capacity rose 2.8%.

Asia-Pacific carriers in December posted a decrease in demand of 3.5% compared to the same period a year earlier. Capacity increased by 2.8%. The full-year 2019 saw volumes decline 5.7%, the largest decrease of any region, while capacity increased by 1.1%. As the world’s main manufacturing region, international trade tensions and the global growth slowdown weighed heavily on regional air freight volumes in 2019. Within-Asia FTKs were particularly affected (down 8% compared to a year ago).

Air cargo’s performance in 2019 was dampened by weak growth in global trade of just 0.9%. The sector’s underperformance was also due in particular to slowing GDP growth in manufacturing-intensive economies. Softer business and consumer confidence, along with falling export orders, also contributed to air freight struggles.

There are signs that confidence and orders could pick up in 2020. It is too early to say what long-term effects will be seen from the impact of restrictions associated with combatting the coronavirus outbreak.

“Trade tensions are at the root of the worst year for air cargo since the end of the Global Financial Crisis in 2009. While these are easing, there is little relief in that good news as we are in unknown territory with respect to the eventual impact of the coronavirus on the global economy. With all the restrictions being put in place, it will certainly be a drag on economic growth. And, for sure, 2020 will be another challenging year for the air cargo business,” said Alexandre de Juniac, IATA’s Director General and CEO.

EVENTS



HLB Mann Judd Breakfast Seminar – Wednesday 19 February Business Growth Series – Session 1

Business Growth Series – Session 1

- *Date: 19th February 2020*
- *Time: 7:30am - 9:00am*
- *Location: HLB Mann Judd*
- *RSVP Date: 31st January 2020*

Innovation through customer experience and design thinking

As the market, economy and environment changes we need to be increasingly focused on the customer as a means to growth and continued innovation. The Customer Experience Company will share their wealth of expertise gained through 16 years experience in helping organisations to put their customers first through clients such as Service NSW.

By attending this session you will learn how to:

- **Not waste money solving the wrong problem**
- **How to improve the experience your organisation delivers?**
- **Organise yourselves internally**

If you have any specific questions that you would like answered, simply email your questions to Kim Kelloway at kkelloway@hlbnsw.com.au 48 hours prior to the event. We will endeavour to cover off any questions received in the presentation or specifically in the Q&A. You are also welcome to ask questions on the day but responses may be limited due to time.

[Register](#) (link)

SAL Shipping Industry Golf Day – Wednesday 4 March – AFIF Members Invited



Shipping Australia invites AFIF Members to the SAL NSW Golf Day on 4 March 2020.

Shipping Australia Limited (SAL) are pleased to announce that the annual SAL Golf Day will be held at the magnificent Coast Course Little Bay on Wednesday 4th March 2020.

The par 70 course is a commanding test of golf for players regardless of standard and has some the most spectacular holes you will ever play.

We invite members and other industry colleagues and friends to Register NOW to secure your team's place or just register as an individual and we will assign a team.

Team of (4 players plus hole sponsorship) - \$1000 (Incl GST) (please nominate team Captain)

Individual - \$200 (Incl GST) – if registering as an individual please advise if you have a preference who you would like to play with

Price includes:

- **green fees**
- **brunch on arrival**
- **golf carts (per pair)**
- **on course refreshments**
- **bar and early dinner following the golf prizes presentation**

Presentation of the SAL Perpetual Trophy and prizes will take place post round

Wish to be a sponsor of some of the following opportunities – please contact Bryan Sharkey at bsharkey@shippingaustralia.com.au

- **Major Event Sponsor**
- **Drinks Cart Sponsor**
- **Longest Drive x 2**
- **Nearest the Pin x 2**
- **19th Hole Drinks Sponsor**
- **Post round catering Sponsor**
- **Golf Ball Sponsor**

Use this link to register - [Register Online Now](#)



AFIF 2020 National Conference and Gala Dinner – Registration Open

Friday 29 May 2020

Novotel Sydney, Brighton Beach

On behalf of the AFIF Board and the organising sub-committee we are delighted to announce that the AFIF 2020 National Conference and Gala Dinner will be held in Sydney at the Novotel Sydney, Brighton Beach, on Friday 29th May 2020. The 1 Day program will be focussed on providing vital important content and speakers tackling the topics and issues members need. The 2020 Conference organising committee are planning an engaging interactive conference, followed by a sensational gala dinner in the evening.

Circle Friday 29 May 2020 in your diary, it's shaping up again to be the annual industry event not to be missed and we're hoping to see you there! Of course we will also be hosting a Welcome Reception on the evening of May 28th.

To visit the Conference Website and view all information and to [REGISTER - Click Here](#)

If you would also like to consider a Sponsorship and/or Trade Exhibition package, please download the Sponsorship and Exhibition Prospectus, or contact Brian or Jodie (02)93143055 afif@afif.asn.au

[AFIF WEBSITE WEEKLY POSTINGS SUMMARY](#)

In accordance with AFIF Communications Procedures, we have been posting relevant News and Updates on the AFIF Website. Links in **Weekly News**

[dnata Amendment of Terminal Service Fees Schedule - Effective 1 March 2020](#)

[YM Eternity Released from Arrest](#)

[YM Eternity Detained at DP World Port Botany - Update](#)

[YM Eternity Detained at DP World Port Botany](#)

[Patrick Announces Increases in Landside \(Infrastructure\) Charges](#)

[AFIF Weekly News, Activities & Website Postings – 6 February 2020](#)

[Hire a Trainee - the Easy Way!](#)

[AFIF SERVICES AND PRODUCTS](#)

TRAINING



Important Notice – IMDG (Dangerous Goods by Sea) Training Validity/Expiry – 31 December 2019

The IMDG Code changes every two years and accreditation is only valid whilst the edition of the IMDG (International Maritime Dangerous Goods Code) in which you have been trained is effective.

The current edition IMDG Code 2016 (Amendments 38-16) is only valid until 31st December 2019 and will then be superseded by the new edition IMDG Code 2018 (Amendments 39-18) which comes into effect on 1st January 2020 for two years.

AFIF are currently running courses under the NEW IMDG Code 2018 (incorporating Amendments 39-18) and this new edition is valid until 31st December 2021.

If you, or your staff current IMDG Certification is under IMDG Code 2016, the expiry date is 31st December 2019, then you must complete a 1 day IMDG Re-certification course under the NEW CODE 2018 BEFORE 31 December 2019, to remain certified. Failure to do so will require undertaking the 2 day IMDG (Dangerous Goods by Sea) Full Acceptance Course.

For all course dates please click here

[IMDG \(Dangerous Goods by Sea\) Re-certification](#) – 1 Day

[IMDG \(Dangerous Goods by Sea\) Full Acceptance](#) – 2 days

AFIF TRAINING SCHEDULE

[Full schedule 2020 courses on AFIF Website](#)

SYDNEY:

17-18 February – IMDG Dangerous Goods by Sea – Full Acceptance

20 February – IMDG Dangerous Goods by Sea – Recertification

24 February – Lithium Batteries

25 February – Load Distribution and Restraint

MELBOURNE:

25-26 February – IMDG Dangerous Goods by Sea – Full Acceptance

27 February – IMDG Dangerous Goods by Sea – Recertification

BRISBANE:

25-26 February – IMDG Dangerous Goods by Sea – Full Acceptance

Also refer to the scheduled dates for each course on the [AFIF Website](#) under the Training Tab. For training enquiries contact Jodie Murray on 9314 3055 or afif@afif.asn.au

IATA and OAG PUBLICATIONS

AFIF is the Official IATA and OAG Publications Distribution Agent for Australia and all publications can be ordered and purchased through dedicated pages on our [Website](#).

IATA Dangerous Goods 61st Edition 2020 – ORDER NOW - In Stock – Immediate Delivery



The 2020, 61st Edition of the DGR and associated products are now available for PRE-ORDER

Order Now for Immediate Delivery

There are a large number of changes in the new edition of the IATA DGR Manual so make sure you order your new copy to reflect these changes.

[Click Here](#) to view the list of the significant changes and amendments to the 61st Edition

During the year further amendments and supplements may be issued. These will be posted on to our website as they become available

To place your order now for the 2020 (61st Edition of the IATA Dangerous Goods Regulations and all other current IATA Publications click on the link below:

[IATA PUBLICATIONS \(click\)](#)

Your order will be sent as soon as the Publications become available and payment has been made.

AFIF Model Standard Trading Conditions of Contract – Free to AFIF Members



As your not-for-profit industry association, AFIF provides the Model Standard Trading Conditions as a core service to Members. Despite the considerable legal cost of the complete re-write of the Model Standard Trading Conditions and User Guide, AFIF Members can continue to access these documents for their use as an included benefit of their AFIF membership.

Background to the Updated AFIF Model Standard Trading Conditions of Contract.

AFIF has received an overwhelmingly positive response following the release of the updated *AFIF Model Standard Trading Conditions of Contract*. AFIF Members can obtain their copy and the accompanying *User Guide* as an included benefit of their AFIF Membership. Contact afif@afif.asn.au

The updated model STCs cover modifications to a number of legal developments that impact the terms and effect of the AFIF STCs and in particular on the issues of:

- The law is extending unfair contract term protections to small business contracts.
- Compliance with the Chain of Responsibility (CoR) regime under Heavy Vehicle National Law.
- The Verified Gross Mass requirements under the SOLAS amendments.
- A more balanced approach to the division of risk with a customer/contractor.
- The effectiveness of the consequential loss provisions giving recent case law developments.
- ACCC finding regarding the terms in the stevedores' standard form agreement that would likely be considered unfair within the meaning of the Australian Consumer Law and reciprocity for freight forwarders.

In addition to the updated Model STCs, there is a User Guide to explain the current proposed amendments and have regard to whether you are using the STCs in a customer relationship or with a contractor where different considerations might apply.

Because our Members have different business models, customers and varied transactions, it is important to consider the comments in the User Guide and only adopt those aspects of the AFIF STCs that apply to your business and to do this in consultation with your legal advisers and insurers.

The AFIF Model STC document has been revised in 2008, 2011 and 2013, with a major re-write undertaken in 2016 and review in 2019 to incorporate these significant changes in relevant legislation.

To obtain a copy of Model Standard Trading Conditions and User Guide please email afif@afif.asn.au

Thanks for your continued involvement and support

AFIF Team