



TOMAX  
NEWS

Issue 169  
9<sup>th</sup> August 2024

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# TARIFF CONCESSIONS GAZETTE (TC)

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Tariff Concession Orders (TCOs) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods.

The weekly Tomax Client Newsletter will contain a link to the latest Gazette document so that you can stay updated.

[CLICK TO VIEW LATEST GAZETTE](#)





# AUSTRALIA/INDONESIA SIGN MUTUAL RECOGNITION ARRANGEMENT

**B**usinesses in Australia and Indonesia will soon benefit from a streamlined customs process following the signing of an Authorised Economic Operator Mutual Recognition Arrangement (AEO MRA) between the two countries. The agreement was formalised on Wednesday, August 7, 2024, during the 23rd Customs-to-Customs Talks held in Canberra.

Australian Border Force (ABF) Commissioner Michael Outram APM and Indonesian Director General of Customs and Excise (DGCE) Askolani signed the MRA. Commissioner Outram highlighted that this is Australia's 11th MRA, which will enable Australian Trusted Traders (ATT) to enjoy faster, more efficient, and secure access to Indonesia, one of the world's fastest-growing economies.

"Indonesia is a vitally important partner for Australia, and it is my honour to host today's Customs-to-Customs Talks and to sign the Arrangement," Commissioner Outram said, "it is important we continue to strengthen cooperation and information sharing between our countries on enforcement and trade facilitation matters. Following today's signing, our two agencies will operationalise the Arrangement, which will reap tangible economic and security benefits. This is only possible due to the hard work of our officers over the past few years to finalise

the details of the Arrangement. While this will be my last Customs-to-Customs Talks planned with Indonesia before I conclude my time as ABF Commissioner, I am confident that the long-standing cooperation between the ABF and DGCE will continue into the future."

In 2022/23, Indonesia was Australia's 13th largest trading partner by value, with two-way trade totaling \$26.2 billion, and the 9th largest export market at \$15.7 billion. Indonesia is expected to become one of the world's ten largest economies by the mid-2030s and the fourth largest by mid-century.

Australia has established AEO MRAs with Canada, China, Hong Kong, Japan, South Korea, New Zealand, Singapore, Taiwan, Thailand, and India. Similarly, Indonesia has agreements with South Korea, Hong Kong, the United Arab Emirates, and ASEAN.

AEO MRAs, as defined by the World Customs Organisation's SAFE Framework of Standards to Secure and Facilitate Global Trade, are agreements between Customs administrations with equivalent AEO programs. Australian businesses involved in the international supply chain are encouraged to visit the ABF website to apply for the ATT program.

Zalai, P. (2024). VAPING REFORMS - FACTSHEETS FOR RETAIL, TRANSPORT AND STORAGE. Retrieved from <https://www.ftalliance.com.au/news/32622> on 9th August, 2024.

# VAPING REFORMS - FACTSHEETS FOR RETAIL, TRANSPORT AND STORAGE

## UPDATE ON SEIZURES

**D**ue to the bilateral engagement between the Australian Border Force (ABF) and Freight & Trade Alliance (FTA), advice has been received that between 1 January and 12 July 2024, the ABF has seized over 2,291,462 vapes, accessories and substances which using a retail price of \$30 per vape, reflects a retail value of \$68.743 million.

This result was determined during a period whereby a comprehensive range of reforms to the way vapes are regulated in Australia continues to be rolled out in 2024.

The Therapeutic Goods Administration (TGA) has prepared a series of fact sheets for businesses that may be impacted by the reforms. Please click on the links below to access the fact sheets.

[Retailers Fact Sheet](#)

[Transport and Storage Fact Sheet](#)





# RECORD GROWTH IN CONTAINERSHIP FLEET CAPACITY

**T**he container ship fleet's capacity has surged by 1.6 million TEU since the start of the year, marking an 11% increase year-over-year, reaching 29.5 million TEU. This represents the fastest growth in 15 years, according to Niels Rasmussen, Chief Shipping Analyst at BIMCO.

In the first half of 2024 alone, a record 264 new ships with a combined capacity of 1.6 million TEU were delivered, surpassing the previous record set in the same period last year by 66%. High demand for shipping and robust cargo volume growth, coupled with rerouting through the Cape of Good Hope, have kept ship recycling rates low, with only 36 ships recycled, totaling 51,000 TEU.

Despite these records, shipowners continue to place new orders. So far this year, 63 ships with a total capacity of 400,000 TEU have been ordered, keeping the order book-to-fleet ratio high at 19%. The order book already includes deliveries scheduled for 2028, with an average of 1.5 million TEU set to be delivered annually from 2025 to 2027.

BIMCO notes that the 12,000-17,000 TEU ship segment has experienced the fastest growth, now making up 22% of the container fleet. This segment's capacity

grew by 25% year-over-year in the first half of the year, contributing nearly 50% of the fleet's overall growth. It was the primary driver of growth in 2022 and 2023 and is expected to continue leading future expansion, with over 50% of the capacity on order in this segment.

In contrast, from 2015 to 2021, ships larger than 17,000 TEU were the main contributors to growth. These now account for only 17% of the order book capacity, as shipowners shift focus due to operational constraints in Asia and Europe, with existing vessels already servicing these routes.

"The container fleet's capacity is expected to exceed 30 million TEU for the first time at the end of the third quarter and hit 30.5 million by the end of 2024. By the end of 2027, the current order book will add another 4.3 million TEU. As cargo volume growth is unlikely to match this expansion, we expect ship recycling to increase and temper overall fleet growth. In addition, if ships can eventually return to the Red Sea and the Suez Canal, demand for ships will fall," added Rasmussen.

Schuler, M. (2024). Record Growth in Containership Fleet Capacity, BIMCO Reports. Retrieved from <https://gcaptain.com/record-growth-in-containership-fleet-capacity-bimco-reports/> on 7th August, 2024.



# GLOBAL FREIGHT FORWARDING MARKET SET TO EXPAND

The “Global Freight Forwarding 2024 Report” from Ti Insight, a premier provider of market research for the global logistics sector, reveals that the freight forwarding market is stabilising, though demand for air and sea freight services remains weak.

In 2023, the global freight forwarding market contracted by 1.3% in real terms (adjusted for price and exchange rate changes). This decline is attributed to challenges including a global economic downturn, shifts in consumer behavior, and an oversupply exceeding demand. Specifically, air freight forwarding saw a reduction of 2.1%, while sea freight forwarding contracted by 0.6%. These results reflect the broader economic difficulties impacting the forwarding sector.

The report, created by Ti Insight’s team of industry researchers and analysts using data from Ti’s GSCi knowledge portal—which contains over a million data points—provides a comprehensive analysis of the market. Thomas Cullen, Chief Analyst at Ti, comments: “the freight forwarding market has mirrored the volatility seen in the air and sea freight sectors over the past four years. The period from 2020 to 2022 was marked by significant growth, with revenues increasing by 50% and profits doubling. However, 2023 saw a downturn, with revenues and profits falling as the market returned to a more typical state. Despite this, the market remains complex, with extraordinary events such as the Suez Canal blockage impacting various providers differently. Particularly, the dynamics between non-asset-based service providers like freight forwarders

and asset owners such as airlines and shipping lines have been notably unstable.”

## Key Report Highlights:

- The global freight forwarding market value dropped to €192,730 million in 2023, representing a 1.3% real-term contraction.
- In nominal terms, the market contracted by 45.6% due to lower freight rates for air and sea transport compared to the previous year.
- A slight market expansion of 1.7% in real terms is expected in 2024.
- The Asia Pacific region, despite experiencing the third-largest contraction among global regions, remains the largest, holding a 35% share of the global market.
- Over the next five years, the global freight forwarding market is projected to grow at a real CAGR of 3.3%.
- According to Ti’s “State of Logistics Air and Sea Freight Forwarding Survey 2024,” 91.1% of freight forwarders are facing increased margin pressures due to rising competition and stronger client negotiations. To counteract margin erosion, targeting higher-margin clients and offering enhanced services are recommended strategies.
- The exceptional market conditions of the past two years have ended, leading to a significant revenue and profit downturn for freight forwarders in 2023. All top 20 forwarders experienced revenue declines.
- Kuehne + Nagel retained its position as the market leader, generating €15,988 million in revenues for 2023.

AJOT. (2024). Global freight forwarding market to expand 1.7% in 2024. Retrieved from <https://www.ajot.com/news/global-freight-forwarding-market-to-expand-1.7-in-2024> on 8th August, 2024.

# STAFF SPOTLIGHT

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## GRAEME HODDER OFF-SIDER TOMAX TRANSPORT BRISBANE

### What is your role at Tomax?

I am a Driver/Offsider.

### Your hobby/interests?

Motorcycles and rugby.

### Greatest invention of all time?

Cellular phone.

### Your proudest moment?

Watching my daughter walk after being wheel chair bound for 18 months.

### If flights were free, where would you go?

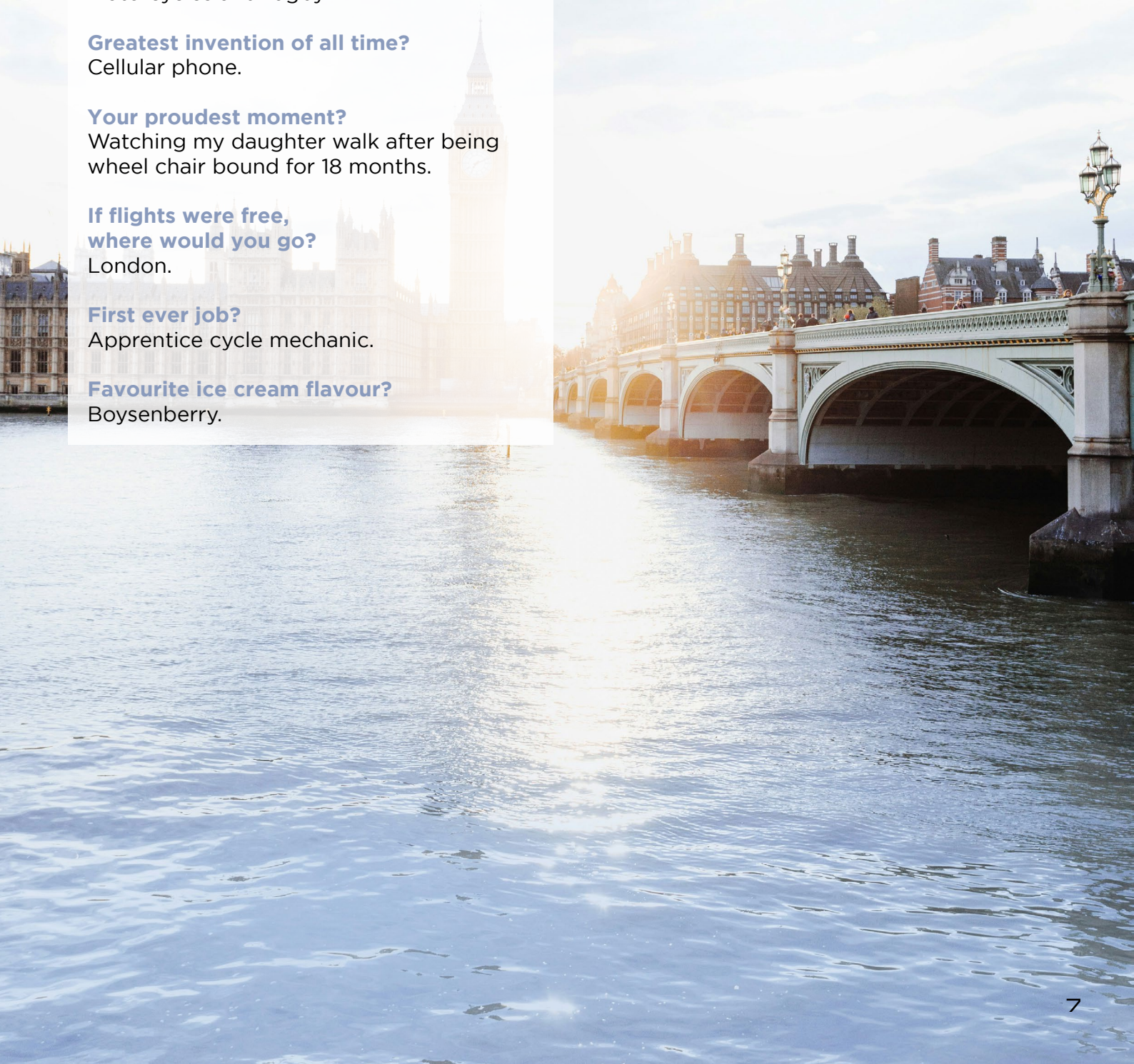
London.

### First ever job?

Apprentice cycle mechanic.

### Favourite ice cream flavour?

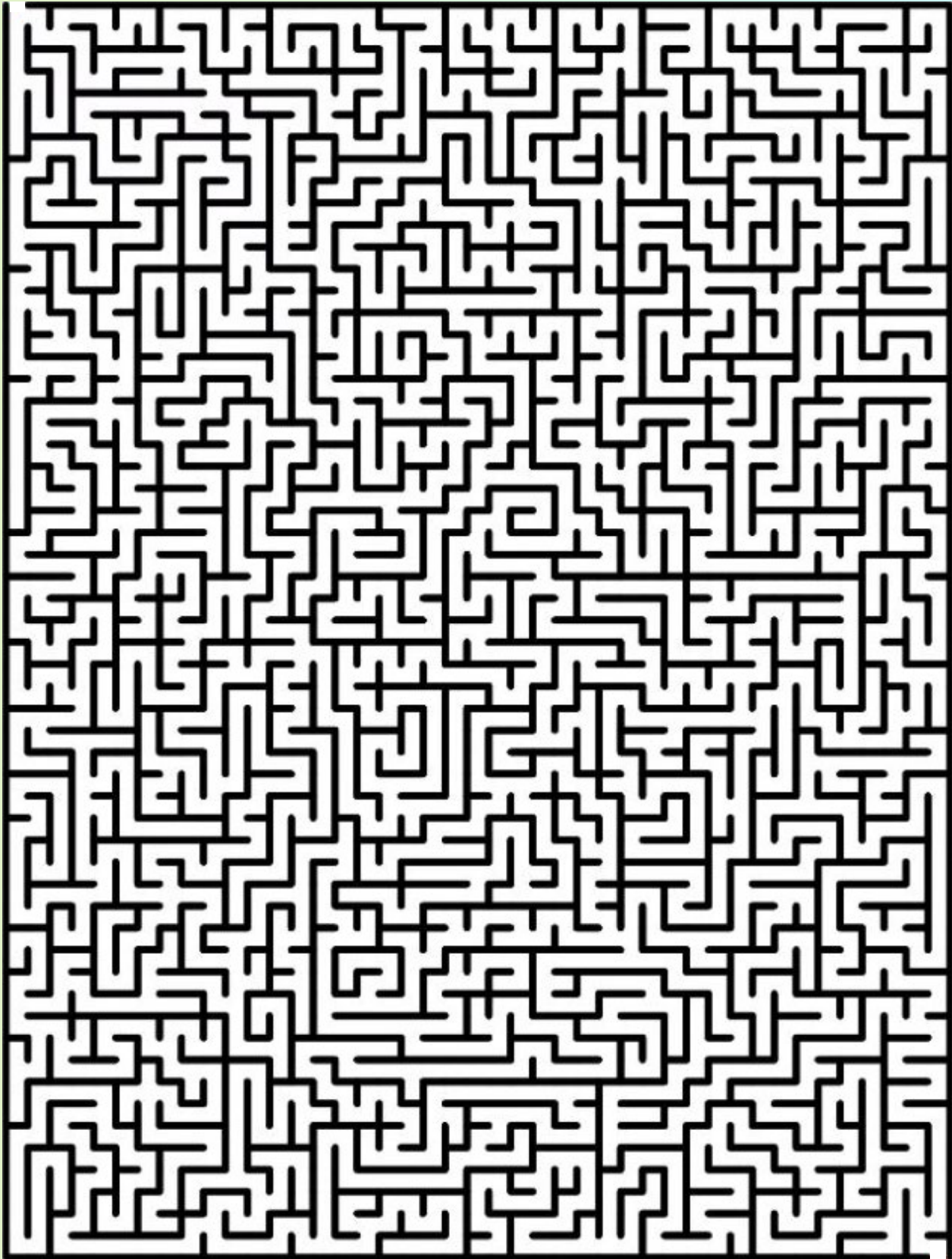
Boysenberry.



# MAZE CRAZE



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