



TOMAX  
NEWS

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**PLUS:**



# MARKET SUMMARY

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• Things are heating up even further on the Asia-Australia trade-lanes with shipping lines revising their announcements for the GRI to be implemented for September. With rates already reaching around USD 4000 per 40' container lines had previously announced their plan to apply a USD 1000 per 40' increase on 1st September. Over the last few days lines have begun sending amendment notices advising the previous notice is rescinded and that the quantum increase will now be USD 2000 per 40'. As always, the actual increase achieved will likely be dramatically smaller than this, however it does reflect the serious congestion and supply shortages being experienced on these trades. Stay tuned for more information around this in the coming week.

# 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](#)



# TERMINAL ACCESS CHARGES DEBATE HEATS UP

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Patrick Terminals released a media statement on Monday 19th August, referencing an analysis by Synergies Economic Consulting titled ‘Synergies Analysis Confirms Container Terminal Charges are not a driver of Cost of Living pressures’.

Correspondence received by Patrick’s CEO on Tuesday 20th August, provided a confidential extract of the analysis and confirmed this move is to counter commentaries from Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA), claiming stevedore-imposed Terminal Access Charges (TACs) are one of many unfair commercial shipping practices impacting costs of containerised trade.

The timing of the Patrick media release is in the lead up to the next Australian Competition and Consumer Commission (ACCC) Stevedore Monitoring Report (scheduled for November 2024) which

the Federal Treasurer has indicated in media statements will be key as a part of the government’s consideration for regulatory intervention.

FTA and APSA see this latest play as a positive, returning the media spotlight and political attention to this important matter.

FTA and APSA trust that the federal government will see through this latest strategic move by Patrick and will be guided by the upcoming ACCC analysis, broader industry engagement and the Productivity Commission’s well-considered recommendation to introduce a Mandatory Code providing controls and oversight on stevedore landside charges.

FTA and APSA will continue to advise on any further updates.



# FREMANTLE PORTS FACES SECOND WEEKEND OF INDUSTRIAL ACTION

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Fremantle Ports will experience a second weekend of industrial action starting August 25, with pilot boat and VTS officers staging another 48-hour stoppage beginning at 5:30am.

It has been warned that adverse weather conditions might force an evacuation of the port, potentially exacerbating the disruptions. This weekend is expected to see a high volume of port movements, and the ongoing industrial action will further delay schedules.

In response to the previous weekend's 48-hour protected industrial action, Fremantle Ports General Manager of Commercial and Customer, Jamie Allardice, reported that the impact was managed effectively due to meticulous planning and coordination with stakeholders. Landside operations proceeded with minimal disruption, and cargo discharge and loading were largely unaffected.

Mr. Allardice indicated that a meeting with the Marine Services bargaining group has been scheduled. He expressed hope that a resolution could be reached through good faith bargaining and collaborative discussion to prevent further disruptions.

Newton, A. (2024). Bad weather and second weekend of strikes in Fremantle. Retrieved from <https://www.thedcn.com.au/news/bad-weather-and-second-weekend-of-strikes-in-fremantle/> on 21st August, 2024.





# DP WORLD REPORTS RESILIENT H1 2024 RESULTS

**D**P World has released its financial results for the first half of 2024, highlighting “resilient” performance despite challenging conditions.

Revenue for the period increased by 3.3% to \$9.3 billion, while adjusted EBITDA fell by 4.3% to \$2.4 billion. The revenue growth was driven by strong performance in its ports and terminals, with a 6.1% rise in like-for-like gross container volumes, particularly in the Americas, Europe, Asia Pacific, and Jebel Ali.

The decline in adjusted EBITDA was attributed to disruptions in the Red Sea and investments in expanding the Logistics platform. Capital expenditure reached \$994 million, with a 2024 guidance of approximately \$2.0 billion.

Sultan Ahmed Bin Sulayem, DP World’s Chairman and CEO, expressed satisfaction with the results despite a deteriorating geopolitical climate and disruptions to global supply chains. He highlighted

the company’s strategic focus on high-margin cargo, comprehensive supply chain solutions, and strict cost management as key factors in their performance.

“Our balance sheet remains robust, and we continue to generate significant cash flow,” Mr. Sulayem noted, “we are optimistic about the long-term prospects of the industry and our ability to provide sustainable returns.”

The report also emphasised DP World’s commitment to revenue synergies, building long-term relationships with cargo owners, and transitioning to net-zero in line with the UAE’s 2050 Initiative. The company expects improved adjusted EBITDA performance in the second half of 2024 and maintains a positive outlook for global trade.

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# SURGE IN SHADOW FLEET RAISES MARITIME RISKS

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Since the onset of the Russia-Ukraine conflict, the prevalence of “dark fleet” or “shadow fleet” ships has surged. These vessels are used to bypass sanctions on Russian crude oil and LNG exports, as well as other restrictions. Ships are typically identified by their IMO (International Maritime Organisation) number, a unique identifier assigned to all seagoing merchant ships of at least 100 gross tonnes. This number remains constant even if the ship changes name, ownership, or flag. Additionally, ships over 300 gross tonnes on international voyages must have an automatic identification system (AIS) transponder, which transmits the vessel’s IMO number, type, size, position, course, and speed. Turning off the AIS can indicate attempts to conceal illicit activities, a common tactic among shadow fleet vessels.

Lloyd’s List Intelligence estimates that the shadow fleet has expanded to about 630 tankers, representing over 14.5% of the global tanker fleet, with some estimates placing the number above 800.

This growth follows Western sanctions on Russian energy exports after the 2022 invasion of Ukraine. Russia is now reportedly increasing its LNG gas carrier fleet, including ice-class vessels for the Northern Sea Route through the Arctic.

Shadow fleet vessels often use “flag of convenience” registries, which typically have less stringent safety and inspection standards. For example, the shipping registry of Gabon, a Central African nation, has recently seen a significant increase in registered ships due to the reflagging of Russian oil tankers from the Liberian flag. This change aims to evade sanctions. One vessel on the Gabon register, a 1997-built oil tanker, exploded in Malaysian waters last year, resulting in three crew deaths. The ship was uninsured, a write-off, and had a history of transporting Iranian oil.

Other less reputable flag states, including Laos, Eswatini (formerly Swaziland), Mongolia, and Bolivia, are also aiding the shadow fleet. Many of these vessels are old, rusty, and beyond their

prime. Allianz's annual shipping report highlighted that much of the shadow fleet is likely poorly maintained, with an average tanker fleet age of 12 years. Nearly a third of these vessels are older than 15 years, and this trend is expected to worsen.

Shadow tankers often engage in risky ship-to-ship (STS) transfers in protected waters, shutting off their AIS transponders to obscure their identity. Allianz reports that such vessels have been involved in over 50 incidents, including fires, engine failures, collisions, and oil spills. The IMO has called on flag states to address these illicit activities and enhance inspections of potential shadow vessels.

Unofficial STS operations are occurring in areas like the Sea of Japan, where North Korean-affiliated vessels transfer Russian oil. In European waters, scrutiny has intensified, particularly in the Mediterranean near Greece, where Russian-linked tankers have conducted STS transfers. There are proposals for

stricter controls in Northern Europe to prevent environmental disasters, given the recent near-misses involving the aging fleet.

Recently, two large oil tankers collided in Malaysian waters, causing fires on both ships. One of these vessels, the Ceres 1, a large crude carrier known for transferring Iranian oil and frequently turning off its AIS, was involved. Although Iranian officials denied any Iranian oil was on board, the incident underscores concerns about the safety and environmental risks posed by the aging global fleet.

Lars Barstad, CEO of Frontline Plc's management unit, described these older vessels as "an environmental disaster waiting to happen." The industry must collectively work to address these risks and prevent catastrophic accidents at sea.

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# STAFF SPOTLIGHT

## TYSON LABERGERIE

**COURIER DRIVER**  
TOMAX TRANSPORT MELBOURNE

**What is your role at Tomax?**  
I am a Driver.

**Your hobby/interests?**  
Usually staying at home and watching/  
playing games.

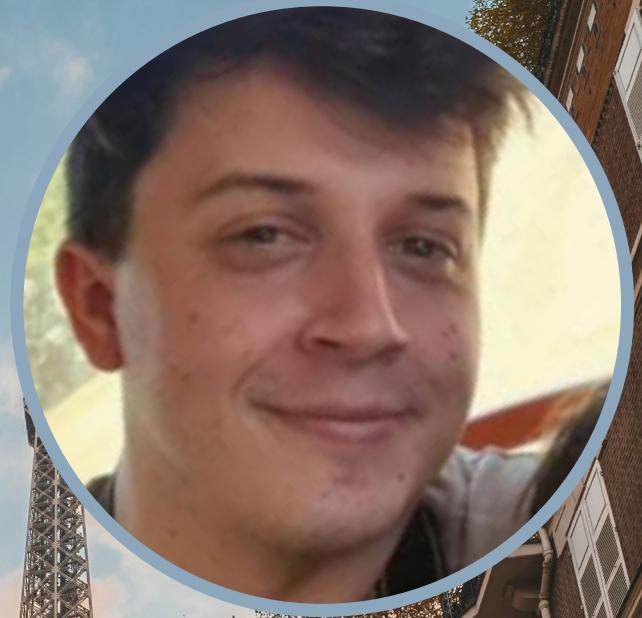
**What instantly puts a smile on your face?**  
Coming home to my family and seeing my little girl.

**If you could transform into an animal or object, what would it be?**  
A grasshopper mouse! There's a quick Natgeo video of them on Google - I recommend watching it!

**Favourite travel destination and why?**  
I've only been to Perth and France so would have to say France.

**Your go-to karaoke song?**  
I am an introvert so I would need 7 drinks minimum to do some karaoke!

**A goal you wish to achieve this year?**  
Stay employed!





# WEDNESDAY WITTIES

What do you call a fish wearing a bowtie?  
**Sofishticated.**

What's a skeleton's least favorite room  
in the house?  
**The living room.**

How does a cucumber become a pickle?  
**It goes through a jarring experience.**

Why don't programmers like nature?  
**It has too many bugs.**

I used to play piano by ear,  
but now I use my hands.  
**It's much easier.**

I once asked a librarian if the library had any  
books on paranoia.  
**She whispered, "They're right behind you."**

My therapist says I have a preoccupation  
with vengeance.  
**We'll see about that.**

Why was the computer cold?  
**It left its Windows open.**

What do you call a snobbish criminal  
going downstairs?  
**A condescending con descending.**

What's the difference between a cat  
and a comma?  
**A cat has claws at the end of its paws; a  
comma is a pause at the end of a clause.**

What's a vampire's favorite fruit?  
**A necktarine.**

What's the deal with airline food?  
**It's not just bad; it's plane awful.**

What do you call a factory that  
makes good products?  
**A satisfactory.**

What do you call a pile of cats?  
**A meowtain.**

