



# MPW Supply Chain Consultancy

Oceanfreight Airfreight Local Transport Courier Warehousing/3PL

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## MPW SUPPLY CHAIN – INDUSTRY UPDATE – 12<sup>th</sup> FEBRUARY 2024

### AUSTRALIAN NEWS

#### EMIRATES RETURNS TO ADELAIDE WITH DIRECT DAILY FLIGHTS

From the 28<sup>th</sup> of October, Emirates will again operate daily flights from Dubai to Adelaide with a Boeing 777-200LR.

The relaunch of direct Emirates flights is set to deliver an estimated 160 million in tourism expenditure and freight exports as well as boosting jobs. – Source [THE DCN](#).

#### MUA WITHDRAWS ALL INDUSTRIAL ACTION AT DP WORLD TERMINALS

DP World and the Maritime Union of Australia have reached an in-principle agreement at the Fair Work Commission bringing months of protected industrial action to an end.

The agreement was announced on Friday (2 February) at the conclusion of three days of facilitated negotiations before the FWC. – Source [THE DCN](#)

#### TRUCK TAX GOALS QUESTIONED

The Allan government's proposed carbon tax on trucks moving through the Port of Melbourne is unlikely to have the desired effect according to Container Transport Alliance Australia.

Jacinta Allan's Labor government is set to hit trucks with a tiered tax of at least \$100.00 per container based on a vehicle's age and carbon emissions to help fund the Port Rail shuttle Network project.

"We're not sure that the implementation of a truck tax will influence the behaviour of transport operators... The tax would just be passed through to importers and raise the cost of doing business through the Port of Melbourne". Source – [The DCN](#)

### OCEANFREIGHT

#### END OF RED SEA CRISIS WILL CREATE CHOPPY WATERS FOR CARRIERS, SAYS MAERSK

A Red Sea Crisis resolution could be far more dramatic for container lines than if their re-routings continue well into the year, senior Maersk Executives have suggested.

Maersk outlined how freight rates and industry capacity were expected to be affected if container ships were suddenly able to transit the Red Sea and Suez Canal this quarter vs a full year of disruption. Source – [The Loadstar](#).

#### CARRIERS SOAK UP 300,000 TEU OF NEWBUILDS – BUT THERE'S MORE TO COME

A record 41 containerships, with a capacity of some 300,000 teu, were delivered last month, including eight of more than 15,000 teu.

However, this eye-watering capacity record for newbuild deliveries is unlikely to last very long, given that a further 2.8m teu of cellular tonnage is scheduled to hit the water this year. Source – [The Loadstar](#)

#### REVISED CARRIER SCHEDULES BEDDING-IN, SAY SHIPPERS, BUT THEY SEE TROUBLE AHEAD

Amid continuing attacks on commercial shipping by Houthi rebels, scheduling issues caused by re-routing of services away from the Suez Canal and around the Cape of Good Hope (CGH) have begun to stabilise. We should see stability in schedules and arrivals now – albeit it will take longer for goods to get here. However, the problem will come when the Suez Canal reopens as suddenly, you'll have a load of vessels that take two weeks less turning up at the same time as those diverted vessels." Source – [The Loadstar](#)

### GLOBAL SUPPLY CHAIN NEWS

#### CHINESE NEW YEAR – 2024

Starting on Saturday the 10<sup>th</sup> of February, the 2024 Lunar New Year celebrations are well under way. 2024 belongs to the Year of the Dragon which is believed to embody power, strength, luck, and wisdom.

While celebrations may differ between communities, Lunar New Year represents a fresh start for all.

With Fresh Starts in mind, why not reach out to MPW Supply Chain Consultancy in 2024 and refresh your logistics provider.

#### PROTECTING YOUR SUPPLY CHAIN – WHY PLANNING IS SO IMPORTANT

With the Red Sea Crisis, issues with the Panama Canal, and the Lunar New Year, it is more important than ever to focus on planning to avoid disruptions in your supply chain.

- Book Seafreight shipments well in advance (around 3-4 weeks minimum).
- Prioritise urgent Airfreight shipments, and try to anticipate your lead times.
- Utilise LCL shipments to keep your supply chain moving

MPW Supply Chain consultancy is here to guide you through the current challenging environment. Book an appointment [today!](#)

### AIRFREIGHT

#### E-COMMERCE CONTINUES TO SUPPORT AIR CARGO GROWTH

E-commerce was a boom in the air cargo industry during the pandemic and demand has been a steady growth for airfreight companies since.

Industry contacts are optimistic about where e-commerce demand in the air cargo industry is heading, especially with online retail sales expected to reach more than \$8 trillion by 2026. Source – [Air Cargo News](#)

#### AIRFREIGHT CUSTOMERS TAKE A HIT FROM UKRAINE RATES RISE

Airfreight customers will pay the price as the Russia-Ukraine war continues and impacts rates.

Airlines have been forced to change their Asia-Europe routes to avoid Russian and Ukraine airspace since the latter country was invaded, meaning flights take longer and aircraft use more fuel, resulting in more costs.

It's a balancing act. But ultimately, the costs will impact all of the industry, so that it will cost the whole of the chain. A majority of the fuel increased costs will end up at the customer's door unfortunately." Source – [Air Cargo News](#)