



MPW Supply Chain Consultancy

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MPW SUPPLY CHAIN – INDUSTRY UPDATE – 13TH MARCH 2024

AUSTRALIAN NEWS

PATRICK ELECTRIFIES FREMANTLE TRUCK FLEET

Patrick Terminals is introducing nine electric terminal trucks and charging infrastructure into its Fremantle operations.

The project is backed by \$2.5 million in funding from Australian Renewable Energy Agency (ARENA) as part of the Driving the Nation Program. Source – [TheDCN](#)

VIC OPPOSITION PUSHES FOR MELBOURNE PROTECTION

Victoria's Liberal/National Opposition is seeking to obviate disruptions in the port of Melbourne by having it declared critical infrastructure.

Shadow minister for ports and freight, Roma Britnell, late last week introduced a private member's bill to the Victorian Parliament. The *Emergency Management Amendment (Port of Melbourne) Bill 2024* seeks to amend the *Emergency Management Act 2013* to define the port as critical infrastructure and mandate its inclusion in the Victorian Critical Infrastructure Register. Source [TheDCN](#)

TAMPONS, TOOTHBRUSHES & TOASTERS TO HAVE 'NUISANCE' TARIFFS CUT

Taxes on imported fridges, pyjamas and even dodgem cars will be scrapped in a federal government bid to clear away "nuisances" for businesses.

Treasurer Jim Chalmers announced on Monday the government would remove the 5 per cent tariff applied to nearly 500 imported goods, listing white goods, personal care necessities and theme park equipment as among the affected items. Source [ABC News](#)

OCEANFREIGHT

SEAFARERS KILLED IN GULF OF ADEN MISSILE ATTACK

At least two seafarers have died in a missile attack on a bulk carrier in the Gulf of Aden.

They are the first crewmembers to have been killed since Ansar Allah (also known as the Houthis) began attacking ships in the Red Sea region. The latest attack was against *True Confidence*, a Barbados-flagged bulk carrier, on 6 March.

US Central Command reported the vessel was struck by an anti-ship ballistic missile launched from terrorist-controlled areas of Yemen. Source [TheDCN](#)

US CYBER EXPERTS PROBE SUSPECT MODEMS ON CHINA-MADE CRANES

Communications equipment found on Chinese-manufactured quay cranes in the US has prompted fresh fears of espionage.

Equipment manufactured by state-owned ZPMC, one of the world's biggest crane builders, has come under scrutiny at US ports.

A congressional probe found, at one port, 12 cellular modems on crane equipment and another in the port's server room; the port authorities maintaining they had not specified that the cranes have these capabilities and saying they did not know why the communications equipment had been installed. Source – [The Loadstar](#)

CARRIERS STILL NEED ANOTHER 400,000 TEU TO MAINTAIN SERVICES

Nearly 200,000 teu of newbuild containership capacity was delivered in February, following a record 300,000 teu received the month before – the new tonnage being comfortably soaked up by Red Sea diversions around Africa.

However, when a safe passage can be guaranteed and ships can again transit the Red Sea without fear of attack, ocean carriers will need to manage a chronic oversupply situation. Source [TheLoadstar](#)

GLOBAL SUPPLY CHAIN NEWS

CHINA HINTS WINE TARIFFS NO LONGER NECESSARY WITH FINAL DECISION EXPECTED WITHIN WEEKS

Beijing appears to be just weeks away from removing tariffs that have crippled Australia's wine industry since 2020, with an interim decision by China's authorities reporting that the duties are no longer necessary.

The tariffs of up to 220 per cent applied to bottled wine and severed the market's value from \$1.2 billion at its peak just before the tariffs were introduced, to about \$10 million last year. Source – [ABC News](#)

EV FIRE, SHIP LOSS PROMPT LAWSUITS

Concerns over the flammability of electric vehicles have flared again after revelations Mitsui OSK Lines and insurer Allianz are suing Volkswagen AG over the 2022 loss of PCTC *Felicity Ace*. The lawsuits were apparently lodged last year but were revealed last week by newsagency Bloomberg, and confirmed by the parties involved.

In their lawsuits the plaintiffs claim the fire originated in a lithium-ion battery fitted to a Porsche and spread quickly due to the prevalence of EVs on board and the uncontrollable nature of such blazes. Allianz, which is reported to have regularly warned about the dangers of EVs, alleges VW "failed to inform them of the danger and necessary precautions needed to transport such vehicles" Source [TheDCN](#)

AIRFREIGHT

AIR CARGO DEMAND OUTPACES TRADE IN JANUARY

The International Air Cargo Association has reported the highest annual growth in air cargo demand since mid-2021.

Global air cargo demand, measured in cargo tonne-kilometres, increased by 18.4% in January 2024 compared with the same month last year.

Capacity was up 14.6% compared with January 2023. Source [TheDCN](#).

AIR CARGO CARRIERS SEE A BRIGHTER YEAR ON THE RADAR AFTER 2023 DISAPPOINTS.

Airlines are posting declining revenues last year for their cargo subsidiaries, but stakeholders remain optimistic for an air cargo uplift, following an unexpected bright start to 2024.

This week, Lufthansa and Etihad released annual financial results that reflected 2023's weak air cargo demand in the wake of the Covid-19 pandemic. Source [TheLoadstar](#)

FLYING START TO THE YEAR AS AIRFREIGHT BENEFITS FROM SHIPPING DELAYS

Air cargo has continued its strong start to 2024, with volumes and rates cruising at high altitude even after Chinese New Year (CNY). Following January's 11% growth in volumes, February saw a similarly welcome upward curve for airlines and freight forwarders, with demand increasing 11% year over year," according to an industry contact. Source - [TheLoadstar](#)