

Getting in early to facilitate trade – the future of ports

For ports, volatility in containerised trade has dominated concerns in the sector recently. In contrast, bulk trade has not been as exposed to the global supply chain crunch many Australian exporters are grappling with. But that doesn't mean things are plain sailing for bulk exporters. Indeed, for the mining sector, the reality is that operations are always being challenged by an array of external factors.

Flinders Port Holdings work closely with mining and resources clients to preempt these challenges as much as possible while also looking at ways to collaborate on projects from the outset to better position exporters once they get to the production stage.

Over the last 12 months this has included collaboration on two projects in South Australia. For both projects, Flinders Ports have engaged with the export partner at the planning phase, working with them to optimise the export process and seeking to reduce potential bottlenecks.

The first example is a collaboration with Hawsons Iron Ltd, linked to their prospective 20Mtpa Magnetite Mine south of Broken Hill in New South Wales. In June, Flinders Ports signed an MOU with Hawsons to co-operate on the development and operation of a port at Myponie Point for the export of magnetite concentrate from the mine.

Engaging with Hawsons at an early stage, assists Flinders Ports in making informed assessments on the viability of financing, constructing and operating a new port and in turn enables the partner to accurately project export feasibility for their new operation. The project is a strong example of Flinders Ports' commitment to facilitating large-scale export projects from South Australia, including exploring the development of new ports where necessary. It's also an example in how Flinders Ports is looking to diversify its business model and take a more active role in facilitating exports.

The second example relates to Flinders Ports' established infrastructure at Port Adelaide. In July, the Hallet Group, the largest integrated supplier of building and construction materials in South Australia, announced the launch of a green cement project



Flinders Logistics Loading containerised commodities from the tippers straight into the hold of a vessel.

worth \$125 million. It will reduce Australian carbon dioxide (CO₂) emissions by 300,000 tonnes per annum immediately, growing to approximately one million tonnes per annum in the future.

The project includes production and export hubs at Port Augusta, Whyalla, and Port Adelaide. At Berth 25 at Port Adelaide, Flinders Ports is collaborating with Hallett Group to enable them to develop and operate a production and export hub strategically positioned to service both the South Australian and national markets. By actively working with Hallett Group to identify and develop a location easily linked to land and sea-based infrastructure, Flinders Ports is again able to work with an exporter as part of the development phase to optimise their operations.

Over the next 20 years, Australia's ports are going to change dramatically. Both physical and digital architecture is going through a rapid transformation but the capacity of ports to deliver for exporters will also depend on commercial agility and a willingness for port operators to evolve the way they collaborate with partners.

Ports need to adjust their offerings beyond a transactional approach to handling throughput, and instead identify ways they can create more value at the port and further up the supply chain to reduce costs and improve efficiencies for the customer. This won't completely insulate mining and resources businesses against market volatility, but it will help them be better prepared.



A world class supply chain partner for South Australia

Through integrated ports, infrastructure and logistics services, Flinders Port Holdings connects South Australian businesses to each other and to the world.

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