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AUSTRALIA'S NORTHERN GATEWAY



Australia's Northern Gateway - Introduction

- Trends and Considerations in the Market
- Typical Supply Chain Model
- Imports Using The Northern Gateway
- Exports Using The Northern Gateway
- Project implications and opportunities
- Summary

Australia's Northern Gateway Industry Trends

- Unprecedented change in Logistics Industry
- Growth in the North West of Australia
- Looming Impact of Emissions Trading
- Carbon Footprint Considerations
- Review of business models
- Darwin's increased strategic importance
- Lead to N/line & others set up International Divisions

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Australia's Northern Gateway – Typical Supply Chain Model

- Three elements to consider – physical freight, paper flow and information flow
- International physical supply chain elements
 - Order placed
 - Production or pick
 - Load and dispatch
 - Local transport
 - Wharf/airport & customs activities
 - Sea or air freight

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Australia's Northern Gateway – Typical Supply Chain Model

- Receiving country wharf and customs/quarantine clearance
- Local transport
- Delivery

Document supply chain process

- Order process – purchase order
- Sales order/export release
- Commercial invoice produced
- Bill of lading generated

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Australia's Northern Gateway – Typical Supply Chain Model

- **Document supply chain process (cont)**
 - Customs/AQIS release
 - Delivery order
 - Delivery POD

- **Information flows to sender and receiver**
 - Order placed
 - Dispatch confirmation
 - Shipping advice
 - Shipping arrival
 - Customs cleared
 - Delivery

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Australia's Northern Gateway - Imports

Tapping into a domestic service many destinations throughout Australia.

Even destinations not on a direct route from Darwin are accessible.



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Australia's Northern Gateway – Imports

Physical movement	Document flow	Information flow
	Purchase order	Order accepted
Pick or manufacture	Sales order	Confirmation
Load and dispatch	Con note generated	Dispatch confirmation
Local transport		
Wharf activities	Export clearance	
Sea or air freight	Bill of lading/comm inv.	Shipping confirmation
Pre clear customs	Customs release	Clearance confirmation

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Australia's Northern Gateway – Imports

Physical movement	Document flow	Information flow
Wharf/airport activities	Delivery order	
Local transport	Con note	Delivery order/C/N
Staging/unload	Stock confirmation	
Delivery	Proof of delivery	Proof of delivery

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Australia's Northern Gateway – Imports

- **Northern Gateway Import Advantages**
 - Physical freight, paper and information coordination
 - Closer to Asian Suppliers
 - More direct route – time saving to Northern destinations
 - Ability to avoid peak period surcharges
 - Ability to avoid peak volume delays
- **Limitations**
 - Frequency and capacity of shipping
 - Cost of wharf activities (principally volume related)
 - Return of empty containers
 - Availability of equipment in Darwin

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Australia's Northern Gateway – Exports

Physical Movement	Document Flow	Information Flow
	Purchase order	Order accepted
Pick or Manufacture	Sales order	Confirmation
Load & dispatch	Con note generated	Dispatch confirm
Local transport		
Wharf/airport activities	Export clearance	
Sea or air freight	Bill of lading/C I	Shipping confirm
Pre clearance	Customs release	Clearance

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Australia's Northern Gateway – Exports

Physical Movement	Document Flow	Information Flow
Wharf/airport activities	Delivery order	
Local transport	Con note	Delivery order
Staging/unload	Stock confirmation	
Delivery	Proof of delivery	Proof of delivery

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Australia's Northern Gateway – Exports

- Export Advantages
 - Physical freight, paper and information coordination
 - Consolidation of supply within Aust
 - More direct route – time saving
 - Ability to respond quickly
 - Security of product
- Limitations
 - Frequency of shipping (volume related)

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Australia's Northern Gateway – Major Projects

- Major Projects
 - All the advantages above
 - Ability to combine with Aust sourced goods
 - Ability to stage delivery
 - Communication flows
 - Better coordination of expensive resources

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Australia's Northern Gateway – Summary and Conclusions

- Supply using the northern gateway makes sense for Northern Australia
- Time advantage
- Delivery control
- Available now
- Needs more critical mass
- Needs to be sold to broader Australia

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Australia's Northern Gateway



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we're there