



# MEDIA RELEASE

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**24 October 2024**

## **Qube's proposed acquisition of MIRRAT raises preliminary concerns**

The ACCC has published a [Statement of Issues](#) outlining preliminary competition concerns with Qube Holdings Limited's (ASX:QUB) proposed acquisition of Melbourne International RoRo & Auto Terminal Pty Ltd (MIRRAT).

The ACCC is also seeking views on a court-enforceable undertaking offered by Qube, which it has put forward to remedy competition concerns.

MIRRAT operates the automotive/Roll-on Roll-off terminal at Webb Dock West in Melbourne. The proposed acquisition would permit Qube to acquire sole operating rights for roll-on roll-off trade through the Port of Melbourne.

Qube, through its wholly owned subsidiary, Australian Amalgamated Terminals Pty Ltd (AAT), operates automotive cargo terminals at the Port of Brisbane and Port Kembla, as well as a general cargo terminal at Appleton Dock at the Port of Melbourne.

Qube is Australia's largest provider of import and export logistics services including port-related activities of terminal management, stevedoring, processing, pre-delivery inspection (PDI) and delivery.

Webb Dock West is the key facility for the processing of automotive and roll on-roll off cargo through the Port of Melbourne, according to feedback received by the ACCC.

"The proposed acquisition would result in Qube, which is one of Australia's largest integrated terminal and freight logistics providers, owning a further interest in a critical component of the automotive delivery supply chain at the Port of Melbourne," ACCC Commissioner Dr Philip Williams said.

"We are concerned that the proposed acquisition may have a significant effect on competition in downstream services such as automotive stevedoring and pre-delivery inspection (PDI) services."

"If this transaction goes ahead, Qube would be operating the terminal while also being in active competition with other automotive stevedores or PDI providers," Dr Williams said.

The ACCC is concerned that Qube could raise the costs of access for rival stevedores and PDI operators, preventing them from competing effectively.

Qube could do this by restricting access to the terminal or related services, raising prices and lowering the quality of terminal services.

Concerns were also raised with the ACCC that Qube would have access to rivals' commercially sensitive information as the terminal operator.

## Proposed undertaking

Qube's proposed undertaking, which would vary the current court-enforceable undertakings in place at Port Kembla and Port Brisbane, would:

- require AAT to not discriminate between terminal users in favour of its own interests in the automotive supply chain by providing for certain price and non-price dispute resolution processes, ring fencing certain confidential information and report periodically on its compliance with the undertaking
- provide independent oversight (including by an independent auditor), and
- impose restrictions on AAT's ability to introduce or change certain tariffs.

"We are now seeking feedback on both the preliminary competition concerns associated with the acquisition identified in the Statement of Issues and the proposed undertaking, which has been put forward by Qube," Dr Williams said.

"While the ACCC has decided to publicly consult on the undertaking, this should not be interpreted to mean that this or any undertaking will ultimately be accepted."

The Statement of Issues and proposed undertaking is available on the ACCC's public register here: [Qube Holdings Limited \(Qube\) - Melbourne International RoRo & Auto Terminal Pty Ltd \(MIRRAT\)](#).

The ACCC invites submissions in response to the Statement of Issues by 7 November 2024.

## Background

### MIRRAT

MIRRAT's ultimate parent company is Wallenius Wilhelmsen ASA (WW). WW is a Norway-based global provider of roll on roll off shipping and vehicle logistics and operates automotive terminals in Europe, the UK, the US and the Asia-Pacific. MIRRAT's only operation in Australia is the automotive/RoRo terminal at Webb Dock West.

MIRRAT operates Webb Dock West subject to a section 87B undertaking accepted by the ACCC on 27 March 2014 ([MIRRAT Undertaking](#)). The MIRRAT Undertaking was accepted by the ACCC in relation to MIRRAT's acquisition of a long-term lease to operate the Webb Dock West Roll on Roll off terminal at Port Melbourne. The MIRRAT Undertaking commenced on 1 January 2018. It expires when MIRRAT ceases to operate the Terminal, which may occur on or before 30 June 2040, and when the ACCC confirms this in writing.

The MIRRAT Undertaking includes a provision regarding change of control of MIRRAT's business (that is, the operation of the Roll On Roll Off terminal at Webb Dock West). Under the change of control provision, control of the operation of the automotive terminal at Webb Dock West may only change to a new person or entity, if that person or entity has given a s87B undertaking to the ACCC that:

- requires it to comply with the same obligations as are imposed on MIRRAT pursuant to the MIRRAT Undertaking, or
- on terms that are otherwise acceptable to the ACCC,

unless the ACCC has notified MIRRAT in writing that a s87B undertaking under the change of control provision is not required.\

The full text of the existing MIRRAT Undertaking can be found on the [ACCC's s87B undertakings register](#).

## **Qube**

Qube is Australia's largest integrated provider of import and export logistics services. Its port-related activities include facilities management, stevedoring, processing, PDI and delivery. It manages and develops strategic properties such as inland rail terminals and related logistics facilities. It provides road and rail transport of freight to and from ports, operation of container parks, customs and quarantine services, warehousing, intermodal terminals, and international freight forwarding.

In addition to being a terminal operator, Qube provides general stevedoring, automotive stevedoring and PDI services at each of its eastern seaboard ports. It provides general and automotive stevedoring through its affiliated entity 'Qube Ports'. Qube provides PDI services through its 50% interest in K Line Auto Logistics which owns and operates PrixCar.

AAT (Qube) operates automotive cargo terminals in Port of Brisbane and Port Kembla, as well as a general cargo terminal at Appleton Dock in Port of Melbourne. The facilities are operated under a s87B undertaking accepted by the ACCC in 2016 ([AAT Undertaking](#)).

The AAT Undertaking was accepted in relation to Qube's acquisition of a 50 per cent shareholding in AAT, resulting in Qube holding 100 per cent of AAT. The AAT Undertaking commenced on 23 November 2016 (and was varied on 25 June 2018). It has no end date.

The AAT Undertaking requires that any stevedore or transport operator may apply to have access to the site to service their customers. The access is on a non-discriminatory basis so that all parties are provided services to the same level. Stevedores or transport operators seeking access to the terminal can apply through AAT who will provide a stevedore licence or permit access to approved applicants. The full text of the AAT Undertaking can also be found on the [ACCC's s87B undertakings register](#).

The proposed acquisition will give rise to a Change of Control for the purpose of the MIRRAT Undertaking. AAT does not propose to enter a section 87B undertaking with identical terms to the MIRRAT Undertaking. Instead, AAT (Qube) proposes that its operation of the Terminal would be subject to the AAT Undertaking already in place for its existing terminals with additional clauses including in relation to the Price Dispute Resolution Process.

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