

National Freight Data Hub: Options Discussion Paper – Ports Australia

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Why your organisation is interested in the National Freight Data Hub	As the peak body for ports in Australia, Ports Australia is keen to ensure that ports, governments, industry, and the public can access appropriate data on freight. Enabling appropriate data access will allow for increased understanding of the prior and current states, and better equip all to make informed decisions and forecasts related to ports and supply chains in Australia.

Ports Australia welcomes the development of the National Freight Data Hub (NFDH), however considers it imperative that the scope and vision of the Hub is further clarified beyond the enduring questions and data priorities. To assist with ensuring clarity of scope, a framework which maps the role and scope of the NFDH with industry, and national and jurisdictional government freight data collections and data sharing tools that are in place or being considered is necessary e.g. the National Single Window, Trade Community System. Once this framework has been developed, and the vision and scope further clarified, this should be shared with industry and further consultation conducted to allow for the most appropriate product to be developed.

Questions for discussion – Design Principles

1. Please share your organisation’s perspectives on the proposed design principles, including any which are not represented here.

The proposed design principles capture most of the key elements for the design approach to the NFDH. However, Ports Australia also considers that a number of additional important themes could either be captured within the existing principles or be added as standalone principles.

Given, the proposed size of the NFDH, the first principle ‘Demonstrate value, early’ will be critical to establish the worth of the Hub and to enable early learnings to ensure that the Hub is delivering on its aims.

This principle should also be complemented by a principle around ‘Flexible clear design and infrastructure’. A clear data structure within the NFDH is important to ensure data is able to be efficiently and effectively drawn upon and analysed. In addition, as the extent of data increases, including potentially from sources other than those anticipated, it will be necessary for infrastructure to be scalable, and allow for complex system integrations and analyses.

Ports Australia supports the intention for the Hub to enable ‘High quality data and insights’. As predictive insights have become increasingly useful, it is also suggested that the need to have timely data and technology that supports predictive analyses is acknowledged. Common data standards are also vital to ensure the consistency and quality of data.

Another major consideration is the user-facing aspect of the NFDH. Whilst it relates to many of the other principles, it is imperative that the design of the Hub is approached with a user-friendly interface in mind.

Questions for discussion – Data

2. What specific benefits would each data priority provide to your organisation?
3. What level of data fidelity (i.e. transaction level data or aggregated data) and frequency (i.e. near real-time, weekly, monthly, quarterly) would be required to make the data priorities you've identified be of value?

Ports Australia supports the development of use cases for each of the priorities to ascertain their exact benefit and to inform the design of the NFDH, including the exact data items that should be sought in the short, medium and long term. The execution of pilots for each use case is also supported to demonstrate quick wins and to also contribute to design refinements.

Ports Australia considers that a key next step will be the development of a data requirements document including the exact data items and data standards, and that this needs to be developed in consultation with industry, and federal and jurisdictional government departments and agencies. The Hub has a significant opportunity in undertaking this work, to standardise data items across the supply chain.

Container data is critical for container ports in Australia, and it is understood that one of the NFDH pilot activities is centred on making this data available. Ports Australia made a submission to the data holders, the Australian Border Force, requesting container origin and destination data be provided: the NFDH is the obvious repository for this data to enable it to be accessed.

Data fidelity and frequency are key considerations for all data provided on the Hub. The aim should be able to provide data at as granular a level as possible whilst maintaining confidentiality. Data is used by the ports as a decision making and planning tool to optimise their supply chains, and the more granular the data provided the better the ability of the data to be used for these purposes. Therefore, transaction level data that is near real-time would be ideal, however this should not be a short-term objective and impede the Hub making quick wins with aggregated lower frequency data.

It should also be emphasised that the ability for the data to be extracted and/or used in conjunction with an individual entity's data set/s will be essential for the Hub to be of value to industry.

Questions for discussion – Technology

4. If a centralised or federated architecture model were pursued, what would be the benefits and challenges to your organisation to participate in the Hub?
5. What are the preferred methods and technologies to integrate with the data exchange platform?

As outlined in the response to data above, Ports Australia considers it imperative that a requirements document is developed to understand the scope of data first. From this, the most appropriate technology solution can be determined.

Questions for discussion – Governance

6. Which governance structure could enable the Hub to be established quickly and generate quick wins, and should it change over time?
7. Which governance structure is most likely to facilitate the greatest use and participation?

Given the nature and extent of the data, a strong governance structure is required to assure ethical, effective, and efficient provision of data. Appropriate governance should be established early to ensure the suitable design of the Hub. However, Ports Australia is open to the suggestion that the governance arrangement could evolve over time as the Hub develops with an independent model being preferred in the longer term.

Questions for discussion – Funding

8. What funding arrangements could ensure users gain the value they are seeking from the Hub?
9. What services could the Hub provide that could be paid for by users?

The Hub needs to be both properly established and its ongoing operation assured. Ports Australia supports the establishment of the NFDH with government funding with the view to transition to a user pays model when the Hub's value has been demonstrated. If value exists, industry willingness to pay will also exist.

A user pays option could be implemented through a tiered subscription model, providing various levels of access based on the level of payment. To demonstrate the Hub's value to industry and incentivise use and associated payment, users could be given trial access at no charge for a limited period. Value for industry will particularly be in the specific data items, and the fidelity and frequency of the data, as well as the ability for the data to be used in conjunction with an entity's own data set.

Questions for discussion – Regulatory

10. To support the Hub's governance, ability to collect and share data, setting of standards and funding model, which regulatory option is best suited?
11. Would there be significant costs or benefits for your organisation associated with each of the regulatory options?
12. Are there additional circumstances to those outlined above, that may warrant a change, introduction or removal of a regulatory mechanism?

Ports Australia agrees with the principle that regulation should only be introduced where necessary, as outlined in the Australian Government *2014 Guide to Regulation*.

Appropriate governance is imperative, and should regulation be required to implement the appropriate model as outlined in the governance response above, Ports Australia would support this.

It is recognised that data standards and the collection and sharing of data are incredibly important to the quality of insights available. Adoption and adherence to data standards and sharing of data should be a key objective, with demonstration of the Hub's value to industry and government the significant lever to achieving this.

Regulation of data standards and the collection and sharing of data should *not* be imposed, at least in the first instance. Related regulation should only be considered should there be a significant lack of data consistency and/or data provision.