

NEWSLETTER

european association for forwarding, transport, logistics and customs services

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News from Brussels

LEARN WORKSHOP: EMPOWERING BUSINESS TO REDUCE CO2



CLECAT and other consortium partners of the <u>LEARN</u> project invite interested parties to join the LEARN International Workshop on 4 and 5 April 2017 in Brussels. The event brings together private sector, government and civil society stakeholders with an interest in reducing the carbon footprint of the global freight and logistics sector.

The project 'Logistics Emissions Accounting and Reduction Network' (LEARN) empowers business to reduce the carbon footprint across

their global logistics supply chain through improved emissions accounting. The workshop aims to introduce the LEARN project, partners and activities, collect feedback from stakeholders and explore how we can work together to maximize business uptake of carbon accounting and reduction. It will also address:

- What support companies need to measure, report and verify (MRV) emissions and how a label can recognize good performance
- The practical applicability of emissions MRV and a label in complex multi-modal logistics settings

The LEARN international workshop is organized back to back with **The Europe Workshop on Green Freight Programs** on 6 and 7 April in Brussels. This event brings together governments, industry and civil society to explore how to expand green freight programs across Europe and promote collaboration between them. For more information please click **HERE**.

Registration for the workshop is open.



Road

MEPS CALL TO END PROTECTIONISM IN ROAD TRANSPORT

At the instigation of MEPs from Slovakia, Bulgaria and Latvia of the European Conservatives and Reformists Group (ECR), an open letter has been send to Commissioner Bulc, in reaction to the German and French law on minimum wages, particularly in the transport sector, and subsequent activities of other Member States such as Austria.

"These countries are protecting their local markets against haulers from other Member States. It hampers free movement of goods and freedom to provide services. Failure of the Commission to act does not prove its objectivity," said Slovak ECR MEP Richard Sulik, a Member of the Committee on the Internal Market and Consumer Protection.

ECR Vice-president and transport coordinator Roberts Zīle from Latvia noted that "The Single Market is the backbone of the EU. This fight against so called "social dumping" is nothing more than an act of protectionism that shutters the Single Market and devalues competition."

The letter signed by 58 MEPs stresses that Germany and France have protected their markets against operators from other Member states, thus restricting the freedom to provide services and free movement of goods defining the EU in a disproportionate manner. MEPs ask the Commissioner to recognize the imminence of the matter and to take an immediate formal step without further delays to finally end this legal uncertainty where the hauliers must tolerate a significant increase of administrative red tape, organisational and financial costs, resulting in a situation, where they become increasingly uncompetitive throughout the Internal Market.

Source: ECR, 17 February

GERMANY PLANS E-HIGHWAY FOR 2019

Two federal states in Germany, Schleswig-Holstein and Hessen, announced plans for first e-highway stretches starting 2019. The A1 and A5 will each be equipped with a 6km long stretch of electric overhead cables. The projects receive EUR 35 million federal funding from German emissions reduction initiatives. The two test stretches should be operation as of 2019. The aim is to test the potential of electrification for hybrid trucks. Electrification enables vehicles to reduce battery sizes and increase distance by allowing them to recharge on their trips using the electrified highways. In the US and in Sweden electrified highway stretches are already operational.

Rail

CORNERSTONES OF RAIL POLICY POST 4TH RAILWAY PACKAGE

At the occasion of the symposium on competition and regulation in rail which took place at the end of January, EU Commissioner for Transport, Violeta Bulc, outlined the cornerstones of European rail policy in the coming years. The EC will speed up the implementation of the existing legislation (Recast Directive) and the 4th Railway package in order to strengthen the rail internal market. The



Commissioner noted that she will closely work with the Commissioner for Competition, Margrethe Vestgaer, in enforcing the basic competition rules in the rail system.

The Commissioner urged the sector to take action, in line with the 2016 Rotterdam declaration, to improve the performance of the rail freight corridors. "I am convinced that the best impulses on how to drive forward, to modernise, will be from within the industry itself.

The full speech is available <u>here.</u>

RAIL FREIGHT CORRIDORS' REVISION: POSTPONED

Following a public consultation on the performance of rail freight corridors and the need for a legislative review, the European Commission has decided to postpone the revision of the rail freight corridors' legislation by two to three years to allow the sector to work on the implementation of the Rotterdam sector statement and to experiment new products and solutions along the Rail Freight Corridors. The Rotterdam Sector statement contains concrete commitments from the sector to improve the performance of the corridors.

CLECAT was together with other stakeholders actively involved in seeking to translate the sector statement into a very concrete action list in order to speed-up its implementation. Some initiatives such as the pilot project on the train status and the estimated time of arrival (ETA) are already advanced. However, more initiatives need to be taken-up in the coming months e.g implementation of KPIs along RFCs, timetable redesign, harmonisation of cross-border sections, strengthen of the corridor One-Stop-Shop in order to boost rail freight.

For this reason CLECAT will participate next week in a meeting on KPIs on the rail freight corridors taking place in Vienna on the 2nd March.

KN LAUNCHES NEW CHINA-EUROPE LCL RAIL SERVICE

Kuehne + Nagel has launched a less-than-container-load (LCL) overland intermodal service for shipments between China and Europe with the launch of its 'KN Eurasia Express' solution, which is targeted in particular at customers from the automotive, high-tech, and fashion industries. The new service complements the company's existing full container load (FCL) rail offering for import and export shipments and is a faster alternative to its less-than-container-load ocean offering.

The 'KN Eurasia Express' service connects China, Russia and Europe. In addition to its established FCL rail freight service that uses Duisburg as its main European handling hub, KN is now providing its own LCL services from a hub terminal in Wuhan in China to Hamburg and Malaszewicze/Poznan in Poland. The KN Eurasia Express product also covers countries in the European periphery, with the first block trains have already been successfully dispatched to Turkey.

Air

ESC CUTS CORNERS ON THE E-AWB

Over the last couple of years CLECAT has continued to call for initiatives to facilitate and ease the implementation of the eAWB. Supporting the need to embrace digitalization, CLECAT organized a



Forum last November where it called on the airlines to make a general move into upgrading their messaging systems to the Cargo-XML standard noting that too many airlines are slow in upgrading their systems. Freight forwarders can often only communicate with airlines through Communication Platforms. Most airlines are using Cargo-IMP Message Standard with multiple versions in use. Therefore CLECAT has been calling on airlines to upgrade to Cargo-XML Message Standard and to store the entire message in their Application Software, referring to Qatar Airways who was the first carrier to accept Cargo-XML one-to-one.

In an article on its website the European Shippers Council notes that in 2016 the eAWB implementation reached 46 percent, 10 percent off the original target of 56 percent. However, the implementation has been steadily growing between 1,5 – 2 percent each month in 2016. Because of this steady growth in implementation, the level of 62 percent will be maintained. The ESC then notes that full implementation has proved difficult because of the number of parties involved in the processing of an air way bill. Furthermore, it recognizes that there are technological limitations with numerous and often incompatible IT systems in use. Above all, there is still regulation in place which calls for hard copy paper to be produced for evidence of a contract between parties.

CLECAT is surprised to then read that ESC then concludes that 'the IATA 2016 adoption target was missed by some 10% because large parts of the freight forwarding industry are sticking to hard copy paper!' Recognising first that airlines often have incompatible IT systems in place, they simply conclude that 'freight forwarders should be reminded that the Single Process system developed by IATA allows them to send documentation fully electronically and the carrier supplies paper bills on necessary lanes.'

Rather than finger-pointing as now done by the ESC, CLECAT maintains that for forwarders to become connected in a way which is workable, also for SMEs, they, and airlines, need to work together. For the eAWB to really take off, forwarders expect direct communication with airlines over secure internet (i.e. using AS4); use of Cargo-XML; consistent status updates; sharing of the e-Air Waybill; and house-level reporting. If things were as simple as suggested by ESC eFreight would have taken off well before 2016.

Maritime

EUROPEAN SHIPPING WEEK

CLECAT will participate in a number of high level events planned to take week during the European Shipping Week taking off on Monday next week. CLECAT is invited as guest to the major Conference discussing the key issues currently facing European and Global shipping taking place on Wednesday 1 March 2017. It will bring together the major players in the shipping industry with the primary aim of promoting the strengths and the importance of European and global shipping to legislators in Brussels, such as the European Commission, European Parliament and the Council of Ministers.

Find out more about the European Shipping Week here.



Customs

WCO WELCOMES ENTRY INTO FORCE OF THE WTO TFA

In a press release published on the 22nd of February 2017, the World Customs Organization (WCO) congratulates the World Trade Organization (WTO) on the entry into force of the Trade Facilitation Agreement. The WCO considers that the agreement will expedite the movement, release and clearance of goods, including goods in transit. Its provisions will also enable effective cooperation between Customs and other authorities, as well as an increase of technical assistance and capacity building in this area. This will ultimately have a positive effect on the relationship between all border agencies and the Private Sector.

The WCO sees the entry into force of the Trade Facilitation Agreement (TFA) as an important milestone for the international trade and Customs community, and estimates that the focus will now shift from the ratification process to the crucial implementation process. It reminds that the TFA includes extensive 'special and differential treatment' (S&D) provisions that will allow developing countries to tailor the scope and timing of implementation to their particular circumstances.

"The WCO has been, and will continue to be, fully committed to making the TFA a success in practical terms," said WCO Secretary General Dr Kunio Mikuriya. "We will do this by helping our Member Customs administrations who have asked for support in implementing the Agreement's trade facilitation measures, which will improve economic competitiveness, contribute to economic growth and alleviate poverty."

The entire press release is available <u>here</u>.

CLECAT also welcomes the entry into force of the WTO Trade Facilitation Agreement this week. Nicolette van der Jagt, Director General of CLECAT said: "The agreement seeks to create better conditions to promote enabling environment for the effective and efficient movement of goods across geographies and, most especially, over the barriers that borders create. This agreement aims to simplify and clarify international import and export procedures, customs formalities and transit requirements. It should make trade-related administration easier and less costly, thus helping to provide an important and much needed boost to global economic growth. With the treaty now in force, we urge governments to move forward with early implementation so that the TFA's substantial benefits can be realized."

General

POLICYMAKERS AND INDUSTRY PREPARE FOR BREXIT DEAL

With Theresa May's deadline approaching to trigger article 50 and start Brexit negotiations European policy makers are getting ready for the discussions. The European TRAN Committee drafted a preliminary assessment on the implications of Brexit for the transport sector and ongoing transport dossiers. The draft report looks at the different modes and how Brexit affects policy papers currently under discussion. The TRAN Committee will also have a debate next week Tuesday 28/02 on the economic losses suffered by transport companies due to border checks. The IMCO Committee is holding a workshop to get a general overview of the market implications of Brexit.



An important topic for the negotiations will likely be aviation. British MEPs stressed the need to secure an aviation agreement with the EU and Ireland as soon as possible. Aviation might also be a challenging topic for negotiations with the dispute between the UK and Spain on Gibraltar still going on. Spain is signalling a hard line when it comes to this issue, and will likely block any UK-EU air access deals including Gibraltar.

Finally, the prospect of a 'hard border' is worrying for many in the transport sector. The UK signalled it will seek to re-negotiate a new customs agreement with the EU. However, as a non-EU member this would still require a 'hard border' between the UK and the EU. Industry advocates have therefore urged policy makers to consider this and find an early solution for customs to allow for a frictionless transition. Earlier this week the Guardian warned that the introduction of customs checks at Dover post-Brexit "could bring gridlock to the south-east of England, with lorries queueing for up to 30 miles in Kent to get across the channel".

Source: Mark Watts, International Dialogue Advisors, 20 February; The Guardian, 20 February

Forthcoming events

CLECAT MEETINGS

Customs and Indirect Taxation Institute

20 March, Brussels

Supply Chain Security Institute

21 March, Brussels

Air Logistics Institute

21 March, Brussels

Road Institute/working group Road (CLECAT/FIATA)

30 March, Zurich

FIATA Headquarters meeting

31 March, Zurich

Customs and Indirect Taxation Institute

16 June, Lisbon

Board, General Assembly

16 June, Lisbon

Road Institute

20 June, Brussels (tbc)

Sustainable Logistics Institute

20 June, Brussels (tbc)



OTHER EVENTS WITH CLECAT PARTICIPATION

Short-Sea Shipping Seminar

27 February, Brussels

ESW – European Shipping Week Conference

1 March, Brussels

DTLF

9 March, Brussels

Circular Economy Stakeholder Conference

9-10 March, Brussels

SITL - CLECAT/TLF side event

15 March, Brussels

European Truck Platooning Challenge Networking Event

21 March, Brussels

SELIS Plenary meeting

29-30 March, Athens

LEARN International Workshop

4-5 April, Brussels

EC Conference on Connected and Automated Driving

5-6 April, Brussels

Global Green Logistics: Making Emissions Accounting Work for Business

9 May, Transport logistic Messe, München

Global Liner Shipping Conference

16-17 May, Hamburg

EP/COUNCIL MEETINGS

European Parliament

Transport and Tourism Committee

27-28 February, Brussels 22-23 March, Brussels

Plenary Session

1-2 March. Brussels 13-16 March, Strasbourg

Transport, Telecommunications and Energy Council

27 February, Brussels 8-9 June, Brussels



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