

Newsletter Issue 1/3 January 2014

CLECAT WISHES YOU A HAPPY NEW YEAR!

GREECE ASSUMES EU PRESIDENCY

Greece has assumed on the 1st January the Presidency of the European Union's Council of Ministers. Antonis Samaras, Greece's prime minister, has identified growth, employment and social cohesion as the main priorities for its presidency.

Greece will push Member States to fulfil their commitments from mid-2013 to increase the availability of credit to small and medium-sized enterprises, and to provide funds for getting unemployed young people back into work.

Migration is another issue that features on Greece's agenda for the presidency. Greece has for years been one of the main points of entry for unauthorised migrants into the European Union, and Greek ministers would like to bolster the EU's action in this area.

The Greek presidency will also seek to revamp the EU's strategy on maritime affairs, and it will be responsible for starting negotiations on a possible Commission proposal on regulating shale gas exploration. This latter dossier, which was expected in December, is particularly controversial. Greece is amongst those Member States favouring exploration, with countries including France and Bulgaria opposed. A more detailed overview on the transport priorities will follow in next week's Newsletter.

Greece will hand the presidency over to Italy on 1 July 2014.

[HTTP://EU2014.GR/](http://EU2014.GR/)

MARITIME TRANSPORT

PROGRESS ON SAFETY, BUT SOME EU FLAG STATES COULD DO BETTER

Some EU Member States are struggling to meet their commitment to ratify international maritime conventions, according to a European Commission [REPORT](#) on compliance with flag state requirements.

Vice-President Siim Kallas, EU transport commissioner, said: "I am heartened that most coastal Member States are taking their obligations seriously as flag states. However, I am particularly concerned to ensure that, for our seafarers, every Member State, as a flag state, has ratified and put in place the common standards for living and working conditions on board set out in

the international Maritime Labour Convention of 2006, especially as these have been agreed between the social partners at European level and recently enforced through EU law."

The Commission will reflect on further measures to ensure EU Member States effectively and consistently discharge their obligations as flag states, including possible infringement proceedings.

Please see the full press release at the following [LINK](#).

RAIL

SAVE THE DATE: 6TH UIC/ PLACE SEMINAR FIATA RAIL MARKET (MPS)

The International Federation of Freight Forwarders (FIATA) and the International Union of Railways (UIC) are jointly organising the 6th Rail Market Place Seminar (MPS) in Trieste, Italy on 2 and 3 April 2014. The Market Place Seminar aims to create opportunities for increased cooperation and business development within the rail sector by offering a common platform for railway undertakings, terminal operators, freight forwarders, and customers. The theme of the seminar is 'Strategic interchange between sea and rail freight: what's new?'

The main subjects that will be discussed include:

- Trends and developments in the connection of sea and rail modes
- Loading technologies and handling of units in combined traffic
- Best practices in rail shunting within ports and industrial sites
- IT exchange with rail and port systems

Further details will follow shortly.

CUSTOMS

CHINA CLARIFIES VAT TAX

China has issued a new document to clarify value-added tax measures that went into effect in Aug. 1, exempting shipping transportation from the law. The measures had caused concern in the shipping and logistics industry.

The US Federal Maritime Commission (FMC) said that on December 13, China released a document Circular 106, which supersedes the original document on the VAT effective January 1, 2014. The FMC posted the following unofficial [SUMMARY](#) of Circular 106 on its website:

The China Ministry of Finance (MOF) and the State Administration of Taxation (SAT) have now jointly agreed to exempt shipping transportation from their recently implemented VAT law. It is understood the exemption will be retroactive to 1 August 2013, when the current arrangements first came into effect. A joint circular (Caishui 2013 No 106) has been issued by the MOF and SAT explaining the exemption.

Circular 106 removes the unequal tax treatment of foreign shipping companies. Chinese law requires foreign shipping companies to use either wholly-owned subsidiaries or third-party agents to collect ocean freight, while Chinese shipping companies can charge shippers directly

without engaging a freight forwarder. Under the previous Business Tax regime, freight forwarders were allowed to deduct international freight from their taxable income. However, under Circular 37, this deduction is no longer permitted. Instead, starting from Aug. 1, 2013, they are required to pay a 6-percent VAT charge, as well as local surcharges (including the urban maintenance and construction tax, education levy and local education levy) on gross proceeds collected from clients, which means the foreign shipping companies end up bearing more tax burden than Chinese shipping companies.

In attachment 2 of Circular 106, the deduction of international freight from the taxable income of freight forwarders is allowed, which draws the cost of foreign shipping companies back to the same level as domestic shipping companies.

A number of carriers have announced that they shall waive the 6% VAT on international freightage starting from January 1, 2014. The carriers shall issue general tax invoice instead of the VAT invoice to shippers or forwarders in the international freightage, but separate VAT invoice on local charges. However, most of the local tax bureaus are still waiting for further clarification from Tax Bureau HQ how to deal with the new policy.

GENERAL

TEN-T EA CHANGES NAME TO INEA

The Innovation and Networks Executive Agency (INEA) will be the successor organisation of the Trans-European Transport Network Executive Agency (TEN-T EA), which was created by the European Commission in 2006 to manage the technical and financial implementation of its TEN-T programme.

Its mission is to bring expertise and high quality of programme implementation to the management of infrastructure and research projects in the fields of transport, energy and telecommunications, and to promote synergies between such activities for the benefit of the project promoters, the Commission and the stakeholders.

INEA will officially start its activities on 1 January 2014 in order to implement parts of the following EU programmes: Connecting Europe Facility (CEF), Horizon 2020 and Legacy programmes (2007-2013) (TEN-T and Marco Polo).

Please see more details at the following [LINK](#).

TEN-T INFO DAY

The TEN-T Info Day for the 2013 Calls for Proposals took place on the 13th December 2013 in Brussels. The event presented the priorities for the [2013 CALLS](#). In addition, the Info Day provided participants with practical information about how to prepare a successful proposal, as well as other background information relevant to the process.

An [ITS INFO SESSION](#) to specifically discuss in detail the ITS priorities of the 2013 Call also took place in parallel on Friday, 13 December.

The presentations are available at the [EVENT'S PAGE](#).

SHIPPING LINES ANNOUNCE JANUARY ASIA-EUROPE PRICE INCREASES

Hanjin Shipping, Zim, CMA CGM, and Maersk Line have all announced price increases on services from Asia to Europe to come into force in January. Hanjin said that from January 15 it would apply a rate restoration of \$500 per teu on services from the Far East and Southeast Asia to North Europe and the Mediterranean.

Zim announced a general rate restoration of \$450 per teu on services from the Far East, excluding India, to North Europe and the Mediterranean from January 8.

CMA CGM said that from January 6 it would apply a peak-season surcharge of \$300 per teu on services from all Asian ports to North Europe.

Finally, Maersk Line will introduce a peak-season surcharge of \$250 per teu on services from Asia to North Europe and the Mediterranean “due to strong seasonal demand” and “high pressure” on its network.

As previously reported, Hapag-Lloyd and OOCL have also announced price increases on the trade lane of \$500 per teu and \$450 per teu respectively due to come into force in January.

Hapag-Lloyd’s increase comes in the shape of a general rate increase, while OOCL will implement a peak-season surcharge.

Lloyds’ Loading List 3 January 2014

CLECAT POSITION FOR SENIOR POLICY MANAGER

CLECAT is looking for a new Senior Policy Manager connecting EU policy-makers with its membership and working more specifically in

- representation and lobbying with the EU institutions
- Preparation of viewpoints of the organization through close dialogue with members
- Drafting of reports, position papers and presentations
- Working on EU projects and partnerships with research and academic institutes.

Ideal Candidate

The ideal candidate English mother-tongue, has a university degree and substantial experience in lobbying EU institutions, has good knowledge of EU law and has excellent writing skills. Ideally he has some working experience in air freight, security and other transport issues and has work-experience with EU research projects.

Interested?

Please send your application with full curriculum vitae to the Director General of CLECAT Nicolette van der Jagt at NICOLETTEVDJAGT@CLECAT.ORG

FORTHCOMING EVENTS

CLECAT MEETINGS

Security Institute

- ~~19 February 2014, Brussels~~ **cancelled: new date in April (tbc)**

Air Institute

- ~~19 February 2014, Brussels~~ **cancelled: new date in April (tbc)**

Maritime Institute

- ~~20 February 2014, Brussels~~ **cancelled: new date in April (tbc)**

Sustainable Logistics Advisory Body

- ~~20 February 2014, Brussels~~ **cancelled: new date in April (tbc)**

Road Institute

- 19 March 2014, Zurich (joint meeting with FIATA)
- 3rd June, Brussels, Board and General Assembly

EUROPEAN PARLIAMENT

TRAN Committee Meeting

- 9 January
 - Mini-hearing on Naiades
 - Presentation by the European Commission on Staff Working Document on Internalisation/reducing transport externalities

COUNCIL

Transport Council

- 14 March 2014