

Newsletter Issue 1 / 9 January 2015

NEWS FROM BRUSSELS

LATVIAN EU PRESIDENCY SET TRANSPORT AND ENVIRONMENT PRIORITIES



Latvian Presidency
of the Council of the
European Union

On 1st January, Latvia took over the six-month rotating Presidency of the Council of the European Union from Italy. Latvia will focus on three priorities during its presidency:

- facilitation of EU competitiveness as a key to economic growth and jobs;
- full exploitation of the digital potential of the European economy;
- reinforcing the role of the European Union in the world.

In addition, the Latvian Presidency wishes to ensure that the Council contributes to the implementation of the European Council's five-year strategic agenda in the areas of protection of citizens, an Energy Union with a forward-looking climate policy, and a Union of freedom, security and justice.

Transport priorities

The Latvian Presidency intends to contribute to EU transport policies by promoting a mobility that is efficient, safe, secure and environmentally friendly as well as to create the conditions for a competitive industry generating growth and jobs.

Land Transport

Strengthening the European railway network will be a distinctive part of the Presidency. The Presidency will continue the discussions on all parts of the Fourth Railway Package instrumental for the development of the single EU transport area. The Presidency will also ensure the final adoption of the Cross-Border Enforcement Directive and it will also formalise the agreement reached on the weights and dimensions proposal. The Presidency intends to enable a ministerial discussion that would focus on the development, implementation and financing of the TEN-T transport network infrastructure.

Air Transport

The Presidency will be open to continue the work on the Single European Sky II+ package as well as the slots proposal, provided that there is a solution to the dispute between Spain and the UK concerning the status of Gibraltar Airport in EU legislation. CLECAT hopes that progress will be achieved on these files, in order to modernise and improve the efficiency of European air transport.

Maritime transport

The Latvian Presidency will strive to secure the right international environment for maritime transport and intends to promote all initiatives facilitating growth and enhancing competitive

European shipping. As regards the proposed ports regulation, once the European Parliament has adopted its first reading position (the Council has already adopted an initial position), the Presidency may seek further progress on the Commission's proposal. The current Council position considerably weakens the Commission proposal, and CLECAT hopes that a regulation can be achieved which increases competition and improves market access for port services.

More information about the Latvian Council Presidency

<https://eu2015.lv/>

AIR

CLECAT WELCOMES INCLUSIVE-RATES MOVE BY EMIRATES

Emirates SkyCargo announced on 31 December that, as of 1 February, it will introduce a new all-in pricing structure for air freight shipments to and from Europe. This will combine current fuel and security surcharges with the weight-related rate into a single price, and will also apply worldwide from 1 March.

CLECAT has welcomed this move from Emirates, which will provide shippers and freight forwarders with a better picture of the full cost of shipment without the add-ons. Nicolette van der Jagt, Director General of CLECAT said: 'today the issue of surcharges continues to raise questions with many shippers and freight forwarders. While we accept that air carriers offer different rate structures due to the impact of fuel prices on carriers' operating costs, surcharges are ostensibly linked to the oil price. It remains notable that carriers have shown a greater tendency to increase surcharges in line with a rising oil price than to reduce them when the oil price has fallen.

What we have seen is that additional surcharges for fuel costs tend to be 'fixed' and not to fluctuate on a large scale over time. This is of particular significance as the oil price drops below \$50 per barrel for the first time since 2009. The recent remarkable slide in oil prices should, by definition, lead to a corresponding reduction in fuel surcharges. CLECAT believes that the current market situation represents a perfect opportunity for creating greater transparency.'

The European Shippers Council [ALSO WELCOMED THE MOVE](#), which they have been promoting. The ESC's air freight manager Joost van Doesburg said that having a fixed rate will have "a huge impact" and bring stability to the market, he predicted. "What shippers appreciate above all is being able to plan ahead and forecast what they are likely to pay for transporting their goods by air, and the 'all-in' system will make this possible."

Other airlines have yet to announce any similar revisions of their pricing policies, although the ESC notes that Emirates has a reputation as a trail-blazer in the airline industry. CLECAT will continue to monitor the situation, to determine whether this measure will lead to greater market transparency in the coming weeks and months.

MARITIME

EU COMMISSIONER MARGRETHE VESTAGER PROMISES TO MONITOR BOX LINE ALLIANCES

CLECAT has welcomed a promise by the European Union's new competition commissioner to keep a close watch on the super- alliances being formed by the world's top global container lines. Ms Vestager made the statements in ShippingWatch, where she said that the Commission would be on

the lookout for any signs of anti-competitive behaviour by the four big east-west alliances: "The commission will continue to monitor developments in the container industry and will scrutinise every concern relating to interference with competition that the commission discovers on its own or which is reported. It goes without saying that the commission is in frequent contact with players - carriers, customers, ports, etc - and I'm sure that they won't hesitate to notify us about cases that interfere with competition which they feel need to be investigated further," Ms Vestager told ShippingWatch. In Europe and China, alliances have to conduct a self-assessment to be sure there is no abuse of their dominant position, and do not receive a formal green light. The Chinese authorities banned the former P3 alliance between Maersk, MSC and CMA CGM on the grounds that it was in effect a merger and not a traditional alliance, but 2M has not gone through the same clearance process.

CLECAT is of the opinion that effective monitoring of such alliances remains essential to ensure they are compliant with the general provisions of the EU competition rules.

EU TO BACK WIDER USE OF SUSTAINABLE MARINE FUEL

The EU's TEN-T Programme will provide over €2.5m in co-financing for studies to support the use of liquefied natural gas (LNG) as marine fuel in the eastern Mediterranean, as part of the "Costa II East - Poseidon Med" project. With the EU aiming to reduce greenhouse gas emissions in the shipping sector by at least 40% by 2050, the economically attractive LNG could help decrease the sulphur content in marine fuels from 3.5% to 0.5%.

The TEN-T programme puts forward the obligation to provide publicly accessible LNG refuelling facilities in all core European ports by 2030. The project will design an LNG transport, distribution, supply - including bunkering - network and infrastructure for LNG use as marine fuel in the eastern Mediterranean (Greece, Cyprus, Italy), and define the framework for a well-functioning and sustainable market. The project contributes to a larger initiative with the ambition to establish an LNG network in the eastern Mediterranean, develop a sustainable market for LNG as marine fuel, revive the shipping industry, as well as increase the fleet competitiveness, efficiency and sustainability. The project is to be completed by December 2015.

Source: [INEA, 19TH DECEMBER 2014](#)

NEW INSTREAM WEBSITE PORT OF ANTWERP

At the Port of Antwerp, collaboration and open dialogue with the barge sector has led to the development of various innovative projects which decreases the leadtime of containers transported by barge. A new [INSTREAM WEBSITE](#) presents these various initiatives and 3 domains of innovation:

- [NAUTICAL COORDINATION](#): safe and efficient transit of goods
- [EFFICIENT CONTAINER HANDLING](#): solutions for barge and terminal operators
- [EFFECTIVE DISTRIBUTION WITHIN THE PORT](#): made possible by means of strong collaboration

ROAD

EKAER REPORTING REQUIREMENTS QUESTIONED

CLECAT has written to DG TAXUD at the end of December to express its concerns about the new reporting requirements which Hungary will introduce as of January 1st 2015. CLECAT also expressed its disillusionment over these new burdensome reporting requirements applicable to intra-EU

movements of Union goods. We fear that this may lead to a proliferation of national rules which may have a considerable impact on our members' business and services and which are threatening the Union acquis.

In the meantime the competent services at DG-TAXUD of the European Commission informed us about a meeting with the Hungarian authority in December.

While the primary concern is to examine the new measures with a view to assessing whether they will be effective in preventing VAT fraud, the Commission will be looking at the new measures as well from the point of view of whether they are compatible with or disproportionate in regard to legal obligations arising from the Treaty and EU VAT legislation and the potential effects on the free movement of goods within the EU. The Commission is supportive to fight cases of VAT fraud but is also concerned about possible additional administrative burden imposed upon business.

The situation is still not clear and we expect to receive further information in the near future."

RE-INSTATEMENT OF THE TIR IN RUSSIA STILL TO BE ENACTED

Russia's national government last month ordered the re-instatement of the TIR harmonised international road transport system of Customs control but its decision has yet to be acted on by the relevant state agencies.

In July 2013, the Federal Customs Service unilaterally decided to restrict the TIR regime in Russia. The International Transport Union has waged a long campaign against the decision claiming that it has led to soaring increases in transport operating costs and created uncertainty over the legal framework governing trade with Russia and also in business relations generally with the country. An article in Lloyd's Loading List.com said that the implementation of the re-instatement order which could come during the course of next month of January.

RAIL

EC SENDS STATEMENT OF OBJECTIONS TO THE LITHUANIAN RAILWAY

The European Commission has informed the Lithuanian railway incumbent AB Lietuvos geležinkeliai ("LG") that it suspects the company of having limited competition on the rail markets in Lithuania and Latvia by removing a railway track connecting the two countries. Such behaviour, if established, would breach EU antitrust rules that prohibit the abuse of dominant market positions. The removal of this track may have prevented customers from using the services of other rail operators for the transport of freight between Lithuania and Latvia. The sending of a statement of objections does not prejudice the outcome of the investigation.

In September 2008, LG suspended traffic on a railway track running between Lithuania and Latvia. One month later LG dismantled the track. Since then the track has not been rebuilt. The Commission is concerned that these actions could have limited competition on the rail markets in Lithuania and in Latvia, in particular by obstructing the plans of a major customer of LG from redirecting its railway freight to Latvia using the services of other rail operators.

WORRYING DEVELOPMENTS ON THE FRENCH RAIL MARKET

CLECAT has joined in the concerns expressed by ERFA on the very recent developments on the French Rail reform, described by the French newspaper Le Monde as crudely distorting the spirit of the French rail reform law voted during the summer. The surprising new development would see SNCF reinstated as the overall managing entity for both operations and rail infrastructure, raising concerns that under this structure the all-important independence of the infrastructure manager will not be guaranteed. Until now it had been believed that the infrastructure manager (SNCF Réseau) would be a distinct body, but the new organisation chart produced on 15th December by SNCF, shows that it is merely one of 5 branches under the SNCF EPIC structure.

The independence of the infrastructure manager is not only essential vis-à-vis European legislation; it is also crucial for the growth and sustainability of the rail sector, guaranteeing non-discrimination and fair access to the network for new entrants. New entrants are key players on the French rail market. The market share of rail operators other than SNCF stands today at 27% (source AFRA).

CHINESE GOVERNMENT LIFTS PRICE CONTROLS ON RAIL CARGO

Government-set controls on the cost of air and rail passenger and cargo transportation in China will be lifted as part of a drive to deregulate prices and improve competition, the country's National Development and Reform Commission (NDRC) has announced. The changes are amongst eight sets of regulations lifting price controls on 24 different commodities and services published on the NDRC's website. The documents cover tobacco pricing, rail transport, civil aviation, ports, professional services, local services and explosive materials for civil use; and the changes took effect in November and December 2014.

Sun Zhang, a professor at Tongji University, told state-owned news agency Xinhua that government controls on railway passenger and cargo prices had impeded the development of China's railways, as any changes "lagged far behind" those in road and water transportation costs. Xinhua said that the changes followed a pilot exercise during which prices were freed up on the Zhunchi Railway, a short private railway in north China.

The NDRC said that it would continue to monitor the market prices of the relevant goods and services, and would take "early" regulatory action to prevent any price volatility or anticompetitive behaviour that emerged as a result of the changes. The cost of transporting rail cargo, Express Railway parcel shipping and passenger fares was deregulated on 23rd December. The changes are intended to promote railway investment and financing as part of a competitive, integrated transport system and to encourage private sector capital investment in the railways, NRDC said on its website.

GENERAL

UN ADOPTS FIRST EVER RESOLUTION ON INTERNATIONAL TRANSPORT CORRIDORS

On December 19th, the UN General Assembly unanimously approved the "Resolution on the Role of Transport and Transit Corridors in Ensuring Global Sustainable Development". For the first time in UN history, the General Assembly has adopted a resolution on the role of transport and transit corridors and their contribution to the global sustainable development outlined in the Post 2015 Development Agenda.

The Resolution welcomes the efforts of the UN and major international organisations, "to develop and operationalise international transport and transit corridors" and calls for coordinated efforts in a number of areas to obtain their "sustainable and inclusive development".

It notably invites the UN Secretary General to seek the views of Member States and international organisations on issues related to the development of transport and transit corridors and to communicate these in a summary report to the UN General Assembly at its 70th Session.

Further more information [HTTP://WWW.TURKMENISTAN.RU/EN/ARTICLES/17833.HTML](http://www.turkmenistan.ru/en/articles/17833.html)

Or at the IRU's website here: [HTTPS://WWW.IRU.ORG/EN MEDIA PRESS PR/CODE.1228/LANG.EN](https://www.iru.org/en/MEDIA/PRESS_PR/CODE.1228/LANG.EN)

CLECAT MEMBERS CALLED TO RESPOND TO CORE QUESTIONNAIRE



CLECAT has together with the ESC, IRU, EIA and INTERPOL drafted an online questionnaire to verify the security requirements of the end users in the seven CORE innovation concepts:

Members are encouraged to respond to the following questionnaire [HTTPS://WWW.SURVEYMONKEY.COM/S/CORESTAKEHOLDERQUESTIONNAIRE](https://www.surveymonkey.com/s/CORESTAKEHOLDERQUESTIONNAIRE).

It will take approximately 10 minutes to complete this questionnaire and your answers will be processed anonymously.

CORE aims to enhance the efficiency, speed and reliability of legitimate trade and logistics whilst enhancing the effectiveness of supervising global trade and safeguarding the supply chain security.

Contrary to 'traditional research, CORE is building on the results of available knowledge and technology backed up by participating industries. CORE needs to prove the technical viability, to develop standards and propose support policies and right framework conditions which bring benefits for business and society.

6TH MEETING OF THE EXPERT GROUP FOR LAND TRANSPORT SECURITY

CLECAT will participate in the 6th meeting of the expert group for land transport security later this month in Brussels. The CORE project – "How enhanced supply chain security and supply chain optimization go hand in hand" Presentation by Mr. Gerwin Zomer, TNO, coordinator of the CORE project. A supply chain security platform for strategic and real time security risk analysis will be presented by Mr Christoph Zurheide, Security Policy and Regulatory Affairs, DHL.

HISTORIC NEW AGREEMENT SET TO BOOST CANADA-EU TRADE

Trade between the European Union and Canada is already very strong – and growth is expected to continue as a result of an historic new trade agreement now being finalized. The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) is said to be Canada's most ambitious trade initiative, broader in scope and deeper in ambition than the North American Free Trade Agreement (NAFTA).

Once applied, CETA will offer EU firms more and better business opportunities in Canada and support jobs in Europe and it will tackle a whole range of issues to make business with Canada easier. CETA will remove customs duties, end limitations in access to public contracts, open-up services' market, offer predictable conditions for investors and, last but not least, help prevent illegal copying of EU innovations and traditional products. The agreement contains also all the guarantees to make sure that the economic gains do not come on expense of democracy, environment or consumers' health and safety.

According to the EU Commission, the EU is Canada's second most important trading partner, representing 9.8% of Canada's external trade and the reduction of trade barriers on both sides of the Atlantic should help to open up new markets to exporters on both continents. The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) is available [here](#)

NEW TTIP DOCUMENTS PUBLISHED

DG-Trade has published a new 2-page TTIP factsheet and the TTIP Negotiating texts the EU has given to US negotiators. These comprise EU textual proposals on parts 2 and 3 of the TTIP (setting out how the EU would want a final deal to read) and EU position papers (explaining what the EU is trying to achieve).

Further texts will be published as they become available. The whole text of the agreement will be made public once negotiations have been concluded, well in advance of its signature and ratification. The TTIP has sections on Customs duties, Rules of origin and Customs/Trade facilitation. All the information gathered is available [here](#).

iCARGO FINAL EVENT AT THE TRANSPORT LOGISTICS TRADE FAIR IN MUNICH



iCargo will celebrate its final event at the [Transport Logistics Trade Fair in Munich](#) from 5-8 May. The transport logistics fair is one of the world's leading trade fair in transport logistics and supply chain management. CLECAT will participate at iCargo's final event will take place on May 6.

The final results of the iCargo pilots will be presented at this event. The pilots will demonstrate simplified and more energy-efficient management of freight flow in international rail / multimodal corridors, demonstrate e-services to integrate motorways of the sea with competitive hinterland co-modal offerings and how to improve the sustainability profile of an entire, complex supply chain through cooperative planning and execution solutions.

FORTHCOMING EVENTS

CLECAT MEETINGS:

Customs and Indirect Taxation Institute

- 20 February

Security Institute

- 10 March a.m, Brussels

Air Logistics Institute

- 10 March p.m.

Maritime Institute

- 11 March a.m.

Sustainable Logistics Institute

- 11 March p.m.

Road Institute/Joint meeting with FIATA

- 17 March p.m. Zurich

Rail Institute / joint meeting with FIATA

- 23-24 April Vienna

Board General Assembly

- 2 June 2015, Brussels

Freight Forwarders Forum

- 19 November 2015

OTHER EVENTS with CLECAT PARTICIPATION**LANDSEC Informal Working Group, Brussels**

- 19 January 2015

CORE Working Group, Thun, Switzerland,

- 22-23 January 2015

Alice Conference, Schiphol Airport Amsterdam

- 11 February 2015

iCargo Final Event, Transport Logistics Trade Fair, Munich

- 6 May 2015 at 12:00-17:00

ITF Summit Leipzig

- 27-29 May 2015

CLECAT/FIATA event at ITF Summit:

Logistics connectivity: The key facilitator of global trade has been scheduled for:
29 May at 09:00 – 10:30.

EP and Council Meetings**EP TRAN Committee**

- 19 January 2015, (afternoon)
 - Announcement of 1st reading on Weights and Dimensions Directive / Leichtfried
 - Exchange of views with Mr Doppelbauer - Executive Director of ERA
 - Exchange of views on the state of play on aviation agreements
 - Approval of the agreement on cross-border exchange of information on road safety related to traffic offences - **vote** / Ayala Sender
 - Presentation by Italian Minister for Transport, Mr Lupi, on IT Presidency conclusions
 - Presentation by Latvian Minister for Transport on LV Presidency priorities

EP IMCO Committee

- 21 January 2015, (morning and afternoon)
Agenda is available [HERE](#)
- 22 January 2015, (morning)
Agenda is available [HERE](#)

Council (Lithuanian Presidency)

- Transport Council, 13 March 2015
- Transport Council, 11 June 2015.