CLECAT

european association for forwarding, transport, logistics and customs services

NEWSLETTER

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News from Brussels

2016 ROAD TRANSPORT CONFERENCE

CLECAT participated at the High level Road Transport Conference organized by the European Commission on the 19th April in Brussels. The Purpose of the event was to present and discuss the **forthcoming road initiatives**. As noted by Mrs Violeta Bulc, European Commissioner for Transpor, 'these initiatives will support the transport sector in providing competitive services for people and for businesses.'

In her key note introduction the Commissioner called for a fully integrated Internal Market for road transport. Transport operations are **cross-border** for a large part, which is why we need **common rules in all EU countries**. Different rules create uncertainties, administrative burdens and costs for operators – many of whom are SMEs.' 'Unfortunately', she continued, 'we are seeing a tendency in Member States to implement their own rules. Different rules in different countries are problematic for transport operators who very often operate in several countries on a daily basis. This may endanger the single market. Operators have to keep track of all these different rules in order to be compliant and to avoid fines. This is not what we envisaged as an internal market.'

'The Commission has already gathered evidence showing that current rules are unclear. Take the example of **cabotage**. There is almost unanimity among stakeholders that the current rules are unclear and simply cannot be enforced. By ensuring better enforcement of EU rules, the Road Initiatives could help to establish a **well-functioning Internal Market for road transport**. Instead of

Member States each trying to clarify the EU rules, this should be done at the EU level to maintain a level playing field.'

On the **right of workers** she said that 'it is crucial to find the right balance between adequate protection of workers' rights and the correct functioning of the Internal Market for road transport.'

On **road charging** the Commissioner noted that 'road charges today do not provide such clear and coherent incentives to road operators. Member States are setting road charges based on different parameters and with different costs. In one Member State it may be cheaper to use a certain type of Heavy Goods Vehicle whereas in another Member State but not in another. This does not support optimal investment decisions in the cleanest possible Heavy Goods Vehicles.' Then she called on the need to eliminate the current patchwork and ensure interoperability between tolling systems.

Following further introductions by MEP Michael Cramer, Chair of the Transport and Tourism Committee of the European Parliament and Marjolein Sonnema on behalf of the Dutch EU-Presidency and Martin Lundstedt, President of the Volvo Group, discussions took place in two parallel workshops on:

- Internal Market and Social aspects of road transport;
- Road Charging – price signals and interoperability of electronic tolling systems.

In the afternoon Plenary, CLECAT's Director General, Nicolette van der Jagt, participated as a panel member presenting and discussing the main findings of the workshops. Addressing problems faced by the freight forwarding industry she noted: 'We all know that transport, in particular international road freight transport, has always been regulated for justified reasons such as the need for safety, security, technical harmonisation. But with what we are currently observing we see that a great part of regulations in force or planned originate from the hidden desire to limit competition on the market place. What we see in a number of countries is that the reinforced criteria of cabotage regulations are important examples of protectionist developments.' She recommended the Commission to clarify rules and simplify rules on cabotage with ultimate aim to have a better functioning internal market

The European Commission is just at the beginning of its procedures for the preparations of its road initiatives. The ex-post evaluations were finalised at the end of last year and the Commission is now now planning formal public consultations and impact assessments of possible policy options that are meant to address identified shortcomings of the current legislation.

Video streaming of the conference is available here.

Commissioner Bulc's speech is available here.

STUDY ON THE COSTS OF NON-SCHENGEN

On 21 April the European Parliament Internal Market and Consumer Protection Committee received a presentation of a study on the costs of reintroducing border controls within the Schengen zone. The study was prepared by the European Parliament Research Service, with input from the Kiel Institute for the World Economy and Transport & Mobility Leuven.

The study calculates the value of time lost to border controls at the current level of road transport, relating this figure to the value of trade, and also assessing the relation with the growth in trade achieved as a result of the Schengen agreement. The study found that the total time cost of reimposing checks on all EU borders amounted to €5.1 billion, with a cost to GDP of 1%. Once further economic costs are factored in, the EPRS found that the costs for road freight of imposing border controls would be €7 billion. The total cost to the EU over ten years would be €230 billion, taking into account the loss of financial confidence as investors and markets lose faith in the European project and single market.

Policy recommendations from the study's authors include setting up adequate infrastructure at border crossings if controls are to be imposed, so as to avoid delays to road freight and other traffic, and to allocate greater support to peripheral countries where external border checks need to take place. They also recommended coordinated controls to avoid multiple checks along the same route.

Road

BULC WANTS TRUCK DRIVERS TO GET PAID A MINIMUM WAGE

Commissioner Bulc visited a highway checkpoint outside of Brussels earlier this week and met with enforcement officials from Belgium, the Netherlands, Germany and France. When asked by journalists whether the Commission will set up a new EU agency to oversee road safety enforcement as part of its road transport proposals this year, Bulc said the highway operators she spoke with encouraged her to move on the idea. "The controllers are very much for it. The proposal has been on the table for a while but I haven't seen the Member States pushing for it," she said. Bulc also told reporters she wants to speed up the development of driverless cars.

The EuroActiv article from the 20th April noted that the Commissioner Violeta Bulc wants to stop companies that use legal loopholes to underpay truck drivers. The executive says social dumping is rampant among truckers who drive between multiple countries every month. At the Road Conference on the 19th April the Commissioner spoke out more strongly in favour of guaranteeing truck drivers a minimum wage. Denmark, Italy, Cyprus, Austria, Finland and Sweden are the only EU countries with no national minimum wage.

Bulc told reporters it's still too early to share details on how truck drivers' salaries could be regulated, including what length of time they would have to spend in one EU country to receive the national minimum wage. Last May, the Commission opened an infringement case against Germany for forcing foreign companies to pay truck drivers the German minimum wage of €8.50 per hour—even if they were just passing through the country. The Commission called that a breach of EU law.
The Commission proposed new rules last month to reform how so-called posted workers are paid when employers send them to work in other EU countries.

The full EurActiv article is available here.

ARE TRUCKS TAKING THEIR TOLL?

Samuel Kenny, freight policy officer at NGO Transport & Environment wrote in a blog in EurActiv this week that the European Commission should introduce truck tolls based on CO2 emissions as part of its 'Eurovignette' review this year. Transport & Environment is campaigning for CO2 differentiation to be enabled in this year's review of the Eurovignette directive.
An increased limit on the cap that can be charged for air pollution should also be included in the upcoming review. It would allow for governments to further use the toll to improve air quality within their country.

Another problem within the current directive is that countries are still able to have a time-based charging system. Such a system allows truck drivers to buy a sticker that accounts for a specific time period. After that, they are free to drive as much as they want within that period. By very definition, and proven time and again, this system is not reflective of the actual damage caused by trucks. Belgium's neighbour, the Netherlands, is one of only nine countries that cling to this antiquated system. The T&E blog ends with the note that the Commission should phase-out time-based systems to promote a cleaner and healthier transport sector that is also less of a burden on the public purse.

CLECAT concurs with the phasing out of time-based systems. CLECAT is of the view that road charges should reflect the environmental performance of vehicles to create incentives for the purchase and use of cleaner vehicles. However, initiatives to charge for environmental costs will be far more acceptable to industry if the revenue generated from any related charges and taxes are earmarked. CLECAT is of the opinion that the introduction of road charges should be (partly) compensated by the reduction in other taxes and charges. Taking punitive action against users of road freight transport infrastructure, raising the costs of trade and doing business, is no way to encourage greater use of alternative modes or helping EU competitiveness.

Rail

4TH RAILWAY PACKAGE, POLITICAL PILLAR: MISSED OPPORTUNITY

As negotiations on the 4th Rail Package political pillar provisionally came to a close on 19 April (see picture), ERFA, representing new entrants on the rail market, expressed disappointment at the limited progress in achieving a competitive, sustainable and growth-orientated rail sector.

In a strongly worded Press Release ERFA noted that 'the result is far removed from the European Commission's initial ambition for reforming rail.

The vested interest of the rail monopolies dominate the outcome, blindly supported by many EU national governments, who in the meantime plough ahead with truck platooning for freight services and liberalising their long-distance bus markets, while their state-run rail companies spiral increasingly into unsustainable debt levels. The real winners from the agreement are the other more polluting modes of transport, led notably by the road sector, who continue to make market gains where rail refuses to reform.'

The press release continued to note that 'the much-diluted provisions on financial transparency for how the state-run companies manage their financial accounts also leads to believe that there is no real appetite for ensuring that public funds are used to stimulate investment, and not to constrain growth in the sector.' The full press release is available here.

CLECAT understands that Trilogue negotiations on the political pillar have been finalised but will only comment on the results when it has some further insight following a vote later this month.

Air

EESC DISCUSSES AVIATION STRATEGY WITH COMMISSIONER AND STAKEHOLDERS

On 21 April, CLECAT attended a public hearing of the European Economic and Social Committee on the EU aviation strategy. Speakers included Transport Commissioner Voileta Bulc, Henrik Hololei, Director General of DG MOVE, Marian-Jean Marinescu MEP and representatives of the aviation industry, unions, consumer groups and environmental NGOs.

Mr Hololei noted the many challenges for European aviation which the strategy seeks to address, including airspace fragmentation, capacity constraints, the need for access to growth markets, the need for a global framework for aviation, and the drive for sustainable growth.

Morgan Foulkes of ACI Europe highlighted the importance of evolving aviation connectivity, where Europe is being bypassed by growing traffic in Asia and the Middle East in particular. He pointed to a 30% growth in South to South connectivity, which is rapidly changing the dynamics of global aviation. Europe is currently facing a 3% deficit in direct connectivity versus the situation prior to the 2008 crisis, and requires more direct connectivity, a strong global hub position and also diversified indirect connectivity to the rest of the world.

Commissioner Bulc argued for Europe to assume a position of global aviation leadership, based on global connections, to ensure that European businesses stay in the lead and deliver growth and jobs. She noted that this goal taps directly into President Juncker's overall priorities regarding the internal market and external connectivity. In the question and answer session CLECAT noted that the diagram which Commissioner Bulc presented of the aviation ecosystem did not include cargo, whereas passengers received specific attention, and asked what measures the Commissioner envisaged with regard to the cargo market. Ms Bulc responded that she does not differentiate cargo from passengers as far as transport users are concerned, but that she welcomes any specific policy suggestions.

Maritime

ASSOCIATIONS CALL FOR EUROPEAN SOLAS COORDINATION

CLECAT, along with the ESC, FEPORT and ESPO, has called on EU Member States to pursue coordinated action for implementing the SOLAS container weighing amendment.

In a statement issued to Member States, the associations call for commitment to a level playing field with regard to tolerance levels and the certification of shippers approved to issue verified weight certificates. Best practice with regard to information sharing between shippers, carriers and terminal operators is also covered by the statement.

CALL FOR A SHORT SEA SHIPPING FRIENDLY FRAMEWORK

European shipowners have called for the momentum created by the Dutch Presidency's High Level Event on Short Sea Shipping held in Amsterdam last February to result in maritime directors putting Short Sea Shipping on the top priority list at their 21 April meeting in Brussels.

EU shipping policy has so far not delivered on its promise to create a single market for shipping. Short sea shipping remains disadvantaged compared to other transport modes. In many cases, goods transported by short sea shipping between two EU seaports lose Union status as soon as they leave port. This entails a heavy administrative burden, involving several authorities and intermediate parties. Procedures and requirements are not only complex but also repetitive, resulting in productivity losses and unnecessary workload and stress for ship crews.

Containers which are loaded onto a vessel are required to comply with all new procedures, whereas those placed on a truck to be driven on board a vessel or take a landside connection do not. Therefore the cost of moving a container via a LO-LO (lift-on/lift-off) vessel may increase and lead-time may become longer. This could drive users to opt for an alternative solution.

ECSA recently published a brochure that presents the short sea shipping sector and its main characteristics advocating the launch of a “Short Sea 2.0” policy that will unleash the full potential of short sea shipping. It can be consulted here.

Full article available here.

Customs

EC ADOPTS THE NEW WORK PROGRAMME FOR THE UCC

On 18 April 2016, the Commission Implementing Decision (EU) 2016/578 of 11 April 2016 establishing the Work Programme relating to the development and deployment of the electronic systems provided for in the Union Customs Code was published in the Official Journal of the European Union.

The Work Programme entered into force the day after its publication, meaning the 19th of April 2016.

The Work Programme for the UCC is available in all EU official languages here.

EC PUBLISHES NEW EDITION OF ITS CUSTOMS BLUEPRINTS

On 18 April 2016, the European Commission published the 3rd edition of its Customs Blueprints, a set of operational guidelines on a number of key business areas which can be used to improve the operational capacity of customs services by setting standards of achievement or to improve and simplify procedures and processes. This new version is a Commission joint effort with customs experts from Member States and enlargement countries working as a project Group financed under the Customs 2020 Programme.

Originally, the Blueprints drafted in 1998 were addressed both to the candidate countries' customs administrations but also to the Commission which uses the blueprints to better target the assistance it provided them, as part of the Pre-Accession Strategy to the EU. In 2007, a second edition was published and was driven by the need to take account of new priorities and challenges faced by customs administrations such as "Customs enforcement of intellectual property rights", "Supply chain security" and "Risk Management".

The 3rd edition of the Blueprints includes:

- Measurable indicators accompanying every objective in any given business area;

- Description of the method suggested for the deployment of the blueprints;
- A number of blueprints addressing certain issues relating to excise duty administration.

The new edition of the Customs Blueprints is available here (French version available here).

Sustainable logistics

THE PARIS AGREEMENT BECOMES REAL

The European Union will sign in New York the Paris Agreement on climate change today, 22 April 2016, in occasion of the Earth Day.

The signing ceremony, convened by UN Secretary-General Ban Ki-moon, follows the adoption of the world's first universal climate change agreement by 195 countries in Paris on 12 December 2015. The European Union was the first major economy to table its commitment in the run up to the Paris climate conference COP21 and now looks forward to having the Agreement ratified and entering into force swiftly.

On behalf of President Jean-Claude Juncker, the Vice-President of the Commission responsible for the Energy Union, Maroš Šefčovič, and the Climate Action and Energy Commissioner Miguel Arias Cañete will attend the high-level ceremony. Vice-President Šefčovič and Dutch Environment Minister Sharon Dijksma will sign the agreement on behalf of the European Union and Commissioner Arias Cañete will deliver the official statement on behalf of the European Union.

Full article available here.

More information about the ceremony available here.

General

ITF SIDE EVENT: BUSINESS AND GOVERNMENT FOR SMARTER FREIGHT

Registration is now open for the ITF Side Event organised by CLECAT, FIATA, ESC, IRU and Smart Freight Centre (SFC) which will take place on the 20th of May 2016 in Leipzig (Germany). The side event will explore opportunities for business and governments to work towards ‘smarter freight’. The programme is available here.

The private sector must do the heavy lifting in realizing low carbon, efficient and competitive freight ("smart freight"). However, governments must help to overcome market and policy barriers to accelerate the uptake of solutions and innovation.

Program details are available at: http://2016.itf-oecd.org/business-and-government-smarter-freight

MEMBER STATES HOLDING BACK DIGITALISATION OF TRANSPORT

CLECAT participated at a dinner event organised by ECG earlier this week on digitalisation of transport. The event concluded that legal uncertainty and a lack of uniform implementation of existing European and International legislation by Member States is holding back EU wide digitalisation of the Transport logistics sector.

Lack of standardisation at European level regarding multimodal transport e-documents is a barrier to seamless, streamlined, flexible transport logistics within the EU. The economic, social and environmental advantage of e-documentation is clear. The courier industry has been paperless for over 20 years with electronic tracking and online proof of delivery accepted as standard throughout the EU. Application in the transport sector is being hampered by insufficient harmonisation at national level.

A legal framework for the use of electronic transport documents already exists for road, rail and maritime transport. The 'e-CMR Protocol' (2011) provides for the use of electronic consignment notes for international transport. However, only 8 EU Member States + Switzerland have ratified this international treaty to date. In rail, not all EU Member States recognise electronic consignment notes (e-CIM) and ongoing legal uncertainty exists in some national authorities as to the validity of electronic signatures or for the transportation of certain goods. The EU Reporting Formalities Directive (RFD) 2010/65/EU aims to simplify, harmonize, and rationalize administrative procedures and reporting requirements for maritime carriers calling at EU ports. By 1st June 2015 Member States should have implemented measures to allow the electronic submission and reception of reporting formalities concerning vessels, their crew and cargo via a 'national single window'. However, no effort has been made by the majority of Member States to harmonise their national requirements resulting in a patchwork of systems and requirements, sometimes even within the same country. MEP Gesine Meissner (German Liberal, ALDE Group) spoke openly of the great need for digitalisation in transport logistics and the lack of sufficient harmonisation at Member State level.
Source: ECG, 20th April 2016)

Forthcoming events

CLECAT MEETINGS

Maritime Logistics Institute
18 May, Brussels

Customs and Indirect Taxation Institute
10 June 2016, London

Board/General Assembly
22 June 2016, Rotterdam

Rail logistics institute
22 June 2016, Rotterdam

Road Logistics Institute
20 October, Berlin

Sustainable Logistics Institute
20 October, Berlin

Supply Chain Security Institute
21 October, Berlin

Air Logistics Institute
21 October, Berlin

OTHER EVENTS WITH CLECAT PARTICIPATION

2016 Better Enforcement for Road Freight Transport
26 April, Brussels

European Rail Summit
10 May, Brussels

Contact Group UIC /FIATA Meeting
12-13 May, Shenzhen, China

ITF 2016 Summit on Green and Inclusive Transport
18-20 May, Leipzig, Germany

ELP event on the impact of migration on transport
1 June, Brussels

ESPO Conference
2-3 June, Dublin

AEA event on Innovation in European Air Cargo
13 June, Brussels

TEN-T Days and Dutch Presidency Conference
22-23 June, Rotterdam, Netherlands

EP/COUNCIL MEETINGS

European Parliament
Transport and Tourism Committee
25/26 April, Brussels
23/24 May, Brussels

Council of the European Union
6 June 2015 - Transport, Telecommunications and Energy Council

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