CLECAT
european association for forwarding, transport, logistics and customs services

NEWSLETTER
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News from Brussels

ELP EVENT ON THE IMPACT OF MIGRATION ON LOGISTICS

At the eleventh event of the European Logistics Platform (ELP) which took place on 1 June in the European Parliament, EU policymakers and industry stakeholders came together to discuss the impact of the refugee crisis on transport and logistics in the EU.

The event was hosted by Matthijs van Miltenburg MEP, Member of the TRAN Committee. In his introductory remarks, Mr van Miltenburg stressed that "the introduction of national border controls as an answer to the refugee crisis heavily affects the European transport sector. Restricting the freedom of movement puts great pressure on one of the fundamental freedoms of the EU. In order to preserve the Schengen area without internal borders, Europe must protect and secure its external borders."

Russell Cowley, from Clan International, focused on the practical impact of the refugee crisis on the operations of his company. Describing the need to diversify the operations of his business in order to guarantee integrity of transported goods and the safety of the truck drivers, he called for a common effort to mitigate the risks. He noted that "the heavy investment from companies like ours in elaborating security systems can only be one side of the coin. In order to tackle this situation in a sustainable way, we call strongly on all involved to share best practices and work together to find common solutions."

Michael Nielsen, General Delegate to the EU of the IRU, focused on 'Solutions to alleviate the negative impact on the sector.' He emphasized the fact that heightened security measures in Calais are naturally welcomed, although they have not solved the crisis but merely moved the problem inland. He continued: "Member States have to align in terms of how to secure their infrastructure and those using it - this includes agreeing how best to ensure that external borders are secured. Coordination amongst Member States as to how transport operators should secure themselves is a prerequisite to make sure that e.g. truck drivers know what to do and that they, if having followed the agreed procedures, are not found guilty of people smuggling, for instance. The EC should work to make sure that the same security measures are implemented across the EU."

Robert Missen, DG MOVE's Head of Unit for Land and Maritime Security, noted that "the Commission is very aware of the impacts of this crisis on logistics, a sector which tends to go unnoticed by society until a crisis brings it to a halt. We want to make sure that transport keeps moving." Mr Missen noted that the Commission is in the process of putting together a best practice handbook for hauliers and drivers active on European roads. "This handbook is intended to be a practical and useful tool so that drivers can make sure their lorries are safe, with a practical step by step checklist enabling them to make sure that their cargo is secure."

For more information: www.europeanlogisticsplatform.eu

EU TRANSPORT COUNCIL TO MEET ON 7 JUNE

European Transport Ministers will meet on June 7 at the Transport Council to discuss a number of issues. Items on the agenda include the EU Aviation Strategy, where ministers will discuss the conclusions of the Aviation Summit hosted by the Dutch Presidency in January, a report of the Informal Transport and Environment Council held in April, which discussed connected and automated vehicles, and the preparation of the ICAO Assembly concerning a market-based measure for aviation emissions. ICAO recently published the draft resolution which would establish a global offsetting scheme for international aviation.

Ministers are expected to adopt negotiating mandates for the Commission to agree aviation agreements with ASEAN, the United Arab Emirates, Qatar and Turkey, as well as a General Approach on the proposed directive on professional qualifications in inland navigation. The Slovak delegation will brief ministers on their work programme for Slovakia's presidency of the Council (July-December 2016), which includes continued discussion of these dossiers, as well as adoption of Council Decisions for the meetings of the Marine Environment Protection Committee and the Maritime Safety Committee of the IMO in order to promote safety and gradual establishment of the monitoring, reporting and verification of carbon dioxide emissions, and a Council decision in relation to a new convention of the Organisation for Cooperation between Railways (OSJD).

Road

TAPA CALLS FOR MORE DATA SHARING ON CARGO CRIMES

The Transported Asset Protection Association (TAPA) calls for more law enforcement agencies and insurers to share data on cargo crime to help industry reduce the risk of theft. Increased sharing of cargo crime data by law enforcement agencies will enable manufacturers and logistics service providers to further protect high value/theft attractive goods in supply chains and relieve the pressure on police forces that have to deal with the growing number of incidents in the Europe, Middle East and Africa (EMEA) region.

Overall, 444 incidents were reported to TAPA's IIS in the region in the first three months of 2016, a 115% increase year-on-year. This compared to 216 and 206 freight thefts recorded by the Association in the first quarters of 2014 and 2015 respectively. Thefts of products from supply chains were reported in 19 countries in EMEA in Q1 2016 and included 29 major losses with a value of more than €100,000. The total loss for the 24.1% of incidents reporting a value was €7,979,623 and this produced an average loss of €74,547. The highest single loss reported over the three months was the theft of eight pallets of perfume valued at €600,000 from a trailer in Lastrup, Lower Saxony, in Germany.

TAPA's incident intelligence data shows that 86.2% of cargo thefts in the three months occurred in four countries. 131 new incidents were reported in the United Kingdom, 126 in the Netherlands, 86 in Germany and 40 in Sweden, with all four countries recording an increase year-on-year as a result of increased sharing of incident data by police authorities. France, South Africa and Italy recorded a further total of 32 cargo crimes. The UK also recorded most of the major cargo crimes, 13 in total, followed by Germany with seven.

Cargo thefts involving trucks continued to dominate recorded crimes in the quarter with 56.3% of losses or 250 incidents involving Theft from Vehicle. There were a further 53 cases of Theft from Trailer and 36 reports of Theft of Vehicle, Theft from Facility was reported on 25 occasions in Q1 2016 and there were also 12 Hijacking crimes. Other types of incident included Theft of Trailer, Theft from Container, Fraud and Robbery.

The lack of secure parking locations, particularly on major trade routes across Europe, was again evident. The majority of freight thefts took place when vehicles were stopped at motorway services, in lay-bys along main highways, or on industrial estates while drivers took their required rest breaks. Losses involving unsecured parking locations accounted for 55.7% or 247 of the incidents reported to TAPA in the EMEA region over the three-month period to 31 March.

The full article is available here.

Source: TAPA Newsletter May

Rail

GOTTARDO TUNNEL WILL ENHANCE RAIL FREIGHT THROUGH ALPS

CLECAT was present earlier this week at the inauguration of the Gottardo tunnel event, with direct webstreaming of the official opening in Switzerland.

Lloyds' Lloyding List reported that the inauguration of the world's longest and deepest rail tunnel in Switzerland on 1 June is set to enhance rail freight transport through the Alps while also providing additional stimulus to the modal shift from truck to train for the shipment of goods. Vaunted as a major link in a pan-European railway corridor stretching from the port of Rotterdam in the north, to Genoa, in the south, the 57.1 kilometre (35.5 mile)-long Gotthard Base Tunnel has taken 17 years to build and will open to commercial traffic at the end of this year once final testing has been completed. Up to 260 freight trains and 65 passenger trains are expected to traverse the two-tube tunnel on a daily basis.

Swiss combined transport operator, Hupac said. "The preparations for the opening in December 2016 are progressing at full speed. The first test runs with Hupac trains have been successful. Day-to-day operations will benefit in many respects," the company added.

Hupac highlighted the benefits from the new tunnel in terms of more reliable routes, regardless of weather conditions, the decrease of the route by 30 kilometres, fewer stops to change locomotives and to use bank engines, lower energy consumption and less rolling stock maintenance due to the elimination of the mountain route. It will also facilitate a new operating concept, based on the European Train Control System (ETCS), and which offers greater timetable stability and punctuality, while also providing sufficient capacity for future growth, Hupac added.

Source: Lloyd's Loading List

Air

AIR FREIGHT MARKETS GROW IN APRIL

The International Air Transport Association (IATA) released demand growth results for global air freight markets for April 2016 showing a 3.2% increase in demand measured in freight tonne kilometers (FTKs) compared to the same period last year. Yields remained pressured as April freight capacity (measured in available freight tonne kilometers or AFTKs) increased by 6.6% year-on-year.

The increase in demand was broad-based across all regions with the exception of Latin America. The strongest growth occurred in the Middle East and Europe, with April demand up by 7.7% and 6.8%, respectively, compared to the same period last year.

While growth appears to be stronger than in the preceding months of 2016, this is largely due to the disappearance from the comparison data of distorting factors associated with the 2015 strike at seaports on the US West Coast.

Overall, the demand for air cargo remains soft and lags behind the relatively robust growth on the passenger side of the business. This is largely driven by weak world trade. The first quarter of 2016 saw the first annual decline in trade volumes since the global financial crisis in 2009, and the World Trade Organization (WTO) predicts only sluggish growth for the remainder of 2016.

"While the April uptick in demand growth for air cargo is encouraging, the overall economic environment is not. The decline in global trade does not bode well for air cargo markets in the months ahead," said Tony Tyler, IATA's Director General and CEO.

The full article is available here.

RUSSIA AND GERMANY NEGOTIATE ON CARGO TRAFFIC RIGHTS

German-Russian negotiations on air traffic rights started on 31 May in Moscow, promising unpredictable results. Each side accuses the other of having partially blocked an existing framework agreement.

These are preliminary talks, scheduled to give representatives of both sides the opportunity to evaluate if most of the existing hurdles blocking a more liberalized air traffic regime can be set aside before the official bilateral negotiations start in July.

Russia claims to be disadvantaged by German authorities who denied AirBridgeCargo operating rights for a third Boeing 747-400F /-8F transatlantic flight from Frankfurt to Chicago, complementing the existing twice-weekly line-haul service.

“There are certain misunderstandings which from the Russian side we aim to resolve through constructive dialogue this week,” states Oleg Demidov, Deputy Director of the External Relations Department at the Volga-Dnepr Group and member of the official Russian air traffic rights delegation in an attempt to create a positive working atmosphere. However, when looking behind the diplomatic curtain, an issue becomes visible, bugging the Russian delegation members: the stopping of ATRAN cargo flights between Munich and Liege operated five times weekly with B737Fs by the Volga-Dnepr subsidiary on behalf of TNT Express. ATRAN is a Moscow-based member of the Volga-Dnepr Group, operating on regional routes thus complementing ABC’s intercontinental network.

Asked about Volga-Dnepr Group’s expectations with regards to the imminent round of air traffic negotiations with their German counterparts a Russian representative stated that “we simply want to get what we were promised and hope that both sides will come to terms and normalize relations.”

For the full story: CargoForwarder Global

Maritime

ECASBA EUROPEAN SEMINAR – EMSA LISBON

On 26-27 May, Nicolette van der Jagt, CLECAT Director General, participated in the ECASBA’s 2016 European Seminar held at the headquarters of the European Maritime Safety Agency (EMSA) in Lisbon. CLECAT was invited, together with ECSA, ESPO and FEPORT to give a presentation on the role of industry organizations in promoting intermodality and optimization of transport links.

Opening speeches were given by M. Antonio Belmar da Costa, ECASBA Chairman and M. Markku Mylly, Executive Director, EMSA.

The panel discussed the opportunities for ship agents to further expand their activities into the multimodal logistics chain and the impact of current legislation on logistics operations. Many ship agents are expanding their activities in areas such as customs broking and freight forwarding. At the same time, all parties in the supply chain need to adopt their services and to innovate in view of changes in the market. Nicolette van der Jagt, Director General of CLECAT noted “It was a great initiative from ECASBA to organize the seminar at EMSA as it allowed participants to have more insights about the role of the European Maritime Safety Agency in monitoring vessels traffic.”

The second day of the seminar, panellists discussed on the way forward for industry to ensure the safe, effective and efficient movement of goods around Europe and the impact of the recently adopted Union Customs Code. Jan Van Wesemael, Senior Advisor Customs & Compliance at Alfaport gave an in-depth presentation on the impact of the UCC on the operations in the port, such as changes with regards to temporary storage and simplified procedures for AEO’s. Susanne Aigner, Head of Unit in DG TAXUD also presented the UCC and the impact on the logistics chain. In doing so, she noted that the exercise has been challenging for the European Commission and that a lot in it was ‘learning by doing’, in particular with regards to the IA’s and the DA’s. She referred to important simplifications for AEO's and facilitations for the logistics industry such as the multiple filing for ENS, recognising that the implementation will depend on the development of an IT system.

BREXIT, VGM AND CARRIER BANKRUPTCY FEARS GIVE ASIA-EUROPE BOX TRADES A BOOST

Fears of currency devaluations after a Brexit vote, supply chain disruption from new container weighing regulations and an aversion to financially troubled carriers are contributing to a demand spike from Asia to North Europe.

The Loadstar has received several reports of vessels operating the Asia-North Europe trade leaving Asian ports full in past few weeks, with containers having to be rolled over to the next sailings.

The current capacity squeeze has also had a noticeable impact on the container spot market, with the Asia-North Europe component of the Shanghai Containerized Freight Index (SCFI) surging by 37% last week. According to Drewry, some UK importers are bringing in stock earlier, fearing the 23 June referendum results in a vote to leave the European Union, immediately weakening the value of sterling, making imports more expensive. The analyst added that continental European retailers had also "fast-tracked shipments in anticipation of a Brexit result also taking its toll on the value of the euro".

Furthermore, Drewry said that the amended SOLAS verified gross mass (VGM) regulations that come into force on 1 July, requiring all export containers to have their weights verified and the information submitted to carriers prior to loading on board a vessel, was also boosting demand. "Merchants have sought to get cargo on the water ahead of the new container regulations, which some fear will initially cause disruption", said Drewry.

Notwithstanding that the increased demand for space from Asia-North Europe appears to have more to do with political and regulatory reasons than growth on the route, the reversal in the supply-demand ratio, however temporary it may prove, is good news for ocean carriers that traded in the red in the first quarter of the year.

The demand spike has not only underpinned planned general rate increases (GRIs) by carriers but also given them confidence to bring back peak season surcharges (PSSs), which in strong demand years have provided a significant boost for revenues.

Carriers have also cut capacity. In addition to blanked sailings this month, to coincide with the Golden Week holidays in Asia, two of the alliances have cut complete services, noted Drewry. The CKYHE alliance removed its CES/NE8 loop, operated with 8,500 teu ships, on 21 March, which followed the G6 mothballing its Loop 6 service a month earlier. The Loop 6 service, which deployed 13,200 teu units, was initially suspended for 11 weeks but this was extended by eight weeks and is not set to resume until 7 July.

Source: The Loadstar

Customs

THE EU PUBLISHES ITS EU CUSTOMS DATA MODEL

On the 31st of May, the EU announced the publication of its EU Data Model, which is aligned with the World Customs Organisation (WCO) Data Model and recognised as such by the WCO.

The EU Customs Data Model (EUCDM) is the model for Customs trans-European systems such as NCTS, AES, ICS and for Member States national customs clearance systems. Its overall objective is to provide a technical instrument that models the data requirements laid down in EU Customs legislation and present a single and genuine source of information for the technical developments of the different IT systems that are used for data processing by customs in the EU.

The backbone of the EUCDM is the data provided by traders to customs authorities by means of the different declarations and notifications defined in EU Customs legislation, the data requirements of which as well as their formats and codes are defined in Annex B of the UCC-DA and of the UCC-IA respectively. The EUCDM also contains the mapping of these data requirements against the WCO Data Model. This mapping serves the following main purposes:

- To provide evidence that the EUCDM is fully compatible with the WCO Data Model.
- To link the data elements of the EUCDM with their corresponding data elements in the WCO Data Model, thereby defining unambiguously the relation between Customs needs and economic operators data.

The objective is to extend in the future the scope of the EUCDM by integrating data elements used for the purpose of response messages and those used for the exchange of data between customs authorities, as well as those provided for in UCC-DA and UCC-IA Annex A.

By its nature, and by virtue of the tool used to design it, which is also used by the WCO for the management of the WCO Data Model (GEFEG), the EUCDM enables Member States to complement it for their national purposes in full abidance of EU Customs provisions. Member States using the same data mapping tool, may inherit the EUCDM and complement it in accordance with their national needs. Others may exploit the EUCDM as published under other formats, such as this html presentation, on the EUROPA website.

The EU Customs Data Model is available here (html version). The GEFEG.FX format is also accessible but subject to a licence (more information here).

General

EP APPROVES NON-TARIFF BARRIERS RESOLUTION

On 26 May the European Parliament approved a resolution 470 to 131 that calls on the Commission to produce a comprehensive overview of non-tariff barriers in the European single market and an analysis of how to tackle them by later this year.

While most tariffs have been removed in the single market — which aims to provide the free movement of goods and services — non-tariffs barriers such as administrative requirements and burdensome procedures still obstruct intra-European trade, according to the resolution, and are often motivated by protectionism.

“The problem is that no country admits that it implements NTBs,” said Daniel Dalton, MEP for the European Conservatives and Reformists, who initiated the resolution. “And it is often difficult to prove a non-tariff barrier is discriminatory, even if it is clearly designed to be so.”

The Resolution calls on the Commission to work more closely with member states on enforcing the existing rules on NTBs. “The main problem here is that existing rules are not applied correctly and the political will to tackle NTBs is lacking,” Dalton said. The Report on Non-Tariff Barriers in the Single Market is available here.

Source: Politico

TEN-T DAYS 2016 AND GRFC 2016

From 20-22 June 2016 European Commissioner for Transport Violeta Bulc, in cooperation with the Dutch Presidency of the Council of the European Union, Minister for Infrastructure and the Environment Melanie Schultz van Haegen invites key stakeholders to Rotterdam to discuss the development of the Trans-European Transport Network, TEN-T Days.

The focus of the conference will be on the Core Network Corridors, ERTMS and Motorways of the Sea (MoS), their implementation and financing.

More information about the programme of the event is available here.

CLECAT will attend the TEN-T days and organise its Board meeting, General Assembly and Rail Institute meeting in conjunction with the TEN-T days in Rotterdam.

Back-to-back with the TEN-T Days it will also run the GRFC 2016, the 5th UIC Global Rail Freight Conference, and it will bring together all Rail Freight and Global Logistics stakeholders on 22-23 June in Rotterdam. The conference is organised by UIC under the patronage of the Dutch Ministry for Infrastructure and the Environment, and in cooperation with ProRail (NL). It is officially supported by CLECAT, OTIF, UNECE and ITF, the International Transport Forum of the OECD.

CLECAT will participate to the GRFC together with many European and international associations representing the transport and rail sector. CLECAT, as a supporting organisation, can offer members a reduced fee for the registration to this conference.

For information contact the CLECAT secretariat at info@clecat.org

The full programme of the GRFC 2016 is available here.

Forthcoming events

CLECAT MEETINGS

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

French Perm Rep Conference on Loi Macron
9 June, Brussels

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

TOC Hamburg
14-16 June, Hamburg, Germany

Workshop for the preparation of EU guidance documents on urban logistics
14 June, Brussels

TEN-T Days and Dutch Presidency Conference
20-22 June, Rotterdam

Rail Freight Corridors' Business Conference
21 June, Rotterdam

UIC Global Rail Freight Conference
22-23 June, Rotterdam

EP/COUNCIL MEETINGS

European Parliament
- **Transport and Tourism Committee**
  15/16 June, Brussels
  11/12 July, Brussels
- **Plenary Session**
  6 - 9 June, Strasbourg
  22 - 23 June, Strasbourg

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

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