Newsletter Issue 31 / 4 September 2015

NEWS FROM BRUSSELS

RESULTS OF CONSULTATION ON THE MID-TERM REVIEW OF THE WHITE PAPER ON TRANSPORT

The European Commission has published the results of the consultation on the Mid-term review of the 2011 White Paper on transport. Stakeholders made a long list of recommendations for the EU and Member States. The main points include:

- Regulatory intervention should be reduced to the minimum, with less but improved regulation. Regulation should be predictable and non-restrictive, with appropriate consultation and not one size fits all approach. A **stable regulatory framework** should be ensured as it is essential to favour investments.
- Decision making should be done at most appropriate level (respect subsidiarity) – the Commission should provide objectives, guidance, best practices and technical assistance. Detailed technical/regulatory frameworks should be at Member States and level implemented by local authorities/taking into account local specificities.
- **Enforcement of existing/future legislation** should be improved. The Commission should more strongly scrutinize Member States on the implementation of measures and ensure harmonised compliance and interpretation of the rules.
- Prior dialogue and **better consultation** with stakeholders at all levels is needed.
- More realistic and sensible targets. Goals should be aligned with Juncker priorities.
- Any proposed measures should **avoid losing competitiveness**. More attention should be given to measures stimulating the competitiveness of European SMEs and reducing administrative burdens. More use of **market oriented mechanisms** that reduce negative externalities and promote positive ones. Transport GHG reduction ambition should be defined within an integrated approach, focusing on cost-effective measures if the EU sets more stringent targets than the rest of the world.
- Bigger **availability of funding** would support progress. The priority should be on channelling substantial and rapid infrastructure investments where positive business cases exist. These infrastructure investments should cover both maintenance and renewal needs, as well as upgrade and new build priorities. EFSI investments should be coordinated with TEN-T.
- Continue to provide **adequate tools to support the industry.** Provide incentives to the industry to voluntarily adopt more sustainable solutions.
- All modes of transport should be treated equally. The modal shift should be replaced with an aim for **optimisation of modal mix** leaving options to Member States.
- More efforts on internalisation of external costs and road charges, but also giving possibility to Member States to have their own solutions.

More information is available at the following link:
http://ec.europa.eu/transport/media/consultations/2015-white-paper-2011-midterm-review_en.htm

ROAD

IRU WELCOMES LONG AWAITED UK-FRENCH DEAL ON CALAIS SECURITY

IRU has welcomed increased UK-French cooperation that will see additional French police presence in and around the Channel Tunnel and Port of Calais, as well as British investments in security fencing for these two important logistics hubs.

The new UK-French deal comes after repeated IRU calls for additional security due to growing challenges and risks from immigrants attempting to illegally board trucks headed to the UK – a situation which was further aggravated by the Port of Calais strike.

Michael Nielsen, who leads IRU work in the EU, commented, "Increasing security and police cooperation to protect drivers, vehicles, loads and to tackle people smugglers is a very positive initiative. Human trafficking cannot be tolerated and anyone who benefits financially from it should be heavily penalised."

He added that, "Hauliers going to and from the UK are not willingly involved in trafficking activities and have suffered heavily from the authorities' inaction. As a result, they've been forced to invest heavily in improved security for their drivers, vehicles and cargo. I trust that the new UK-French deal will result in rapid actions to improve the basic security of trucks, drivers and cargo."

Challenges with clandestine immigration are not only a concern in Calais. "Similar problems exist in Greece, Italy, Spain, the USA and other countries worldwide. At the same time it's obvious that securing the Calais site will move problems hinterland into France and neighbouring countries."

"The European Commission should assume its coordinating role to a much larger extent. The IRU is committed to cooperating constructively with the EC and Member States to tackle this important challenge", concluded Mr Nielsen. (IRU Press release 25/8/15).

On Monday this week, the European Commission announced financial aid to support France to help address the situation in Calais. European Commission First Vice-President Frans **Timmermans** and Commissioner for Migration and Home Affairs Dimitris **Avramopoulos** visited Calais, alongside French Prime Minister Manuel **Valls** and Minister of Interior Bernard **Cazeneuve.**

During the visit, the Commission welcomed the concrete actions put forward by the French and British authorities in their joint declaration on managing migratory flows in Calais, in particular the pledges to take additional steps to act against criminal networks of smugglers who prey on migrants, to develop a fast-track process for assessing asylum claims, to ensure the adequate protection of the most vulnerable, and to ensure the return of those migrants who have no right to stay in the EU.

See also the European Commission PRESS RELEASE 31/08/2015

DEMONSTRATION AGAINST LONGER HGVS IN GERMANY

Although Federal Transport Minister Alexander Dobrindt is now publicly saying that longer HGVs should be licensed for regular use on Germany's roads, high-ranking transport politicians from Germany and the EU have spoken out against the mega trucks at a demonstration which took place in Berlin on the 25th August.

The chairman of the European Parliament's Transport Committee, Michael Cramer, criticised the so-called Gigaliner as "transport policy madness". He said: "Longer heavy goods vehicles are a danger to the EU's targets on shifting transport from the roads." Martin Burkert, Chairman of the German Parliament's Transport Committee, also spoke out against the federal government's plans to allow longer goods vehicles to roll across Germany in the future. "Gigaliners will not make a contribution to sustainable transport policies," said Burkert. "The Transport Minister would be well advised to not just listen to the truck lobby, which wants to sell ever more and ever larger heavy goods vehicles under the guise of ecological sustainability."

According to the latest study carried out by the Technical University Wildau on behalf of the Pro-Rail Alliance, licensing longer vehicles for regular use would lead to more than 8 billion kilometre-tonnes being shifted from the railways onto the roads – 7.6% of all rail freight transport. This amount is the equivalent of 7,000 additional truck journeys per day and puts 1,000 jobs in the rail freight sector in danger. The study also concludes that single-wagonload rail transport would be at risk. The expected collapse in demand for these services resulting from the introduction of mega trucks could make this segment completely unviable. The overall losses in transport volume and jobs would then be many times greater. Currently, single wagon load transport has a share of 25% of rail freight's total transport volume.

Source: NoMegaTrucks, 25/08/2015

MARITIME

Port Regulation proposal on top of EP's Transport Committee Agenda

Now that rapporteur Knut Fleckenstein (S&D, Germany) published his new draft report on the Port Regulation proposal and that shadows and other TRAN MEPs have written down their views in more than 600 additional amendments, it seems that the Transport Committee is getting ready to debate the Port regulation proposal.

The Commission proposal came out more than two years ago, on 23 May 2013. In October 2014, the Council from its side reached an informal compromise, the so-called "general approach" under the Italian Presidency. The provisional timetable is as follows: the Transport Committee will discuss the draft amendments at its meeting of 12 and 13 October. The shadows will start working on the compromises in September. The vote in the Transport Committee is provisionally foreseen on 9 and 10 November.

Even if Mr Fleckenstein is still the rapporteur in charge, most shadow rapporteurs have changed after the EP elections. The following shadows are now in charge of this proposal on behalf of their political group: Elissavet VOZEMBERG (EPP), Peter VAN DALEN (ECR), Gesine MEISSNER (ALDE), Stelios KOULOGLOU (GUE/GNL), Keith TAYLOR (GREENS/EFA), Rosa D'AMATO (EFDD).

CLECAT had a meeting with the Maritime unit in the Commission to discuss the draft report. The Commission is confident that the result in Council and Parliament will be quite positive but welcomes further support from the industry for its proposal.

Larger European Seaports stand to benefit from Independent Management

Reform efforts in European seaports that have outgrown their local and national importance should focus on making port authorities independent, either through corporatisation or privatisation. This is one of the principal conclusions of the PhD research that Patrick Verhoeven recently completed at the Department of Transport and Regional Economics of the University of Antwerp. The conclusion is partly based on a comprehensive assessment of the reform of Rotterdam Port Authority, which became a limited liability company in 2004.

“Independent management will optimise the possibilities for port authorities to contribute to the competitiveness of their ports”, said Patrick Verhoeven, “It will increase their ability to invest, by having more autonomy over their own revenue sources, attracting new share capital and having better access to private funding. It will also enable far-reaching forms of cooperation with other port authorities, in order to widen their influence over logistics chains.” Corporatisation, whereby governments remain shareholders, is the more suitable reform option for the management of multi-purpose gateway ports that operate in a landlord configuration. “Successful corporatisation however implies more than just changing legal status”, added Patrick Verhoeven, “A genuine corporate culture must be introduced, whereby supervisory board and management act in the interest of the company. Post-reform governance, including regulatory oversight, should not be neglected.”

The drive for further port management reform in Europe should be a bottom-up process, but there is also a role for the European Union. “Port authorities and governments should share the objective that reform is to improve competitiveness of ports”, said Patrick Verhoeven, “This will not just serve the ports concerned, but the European port system as a whole. This is why the European Union should be an objective ally that helps keeping port management reform processes on track. The continued stalling of a clear regulatory framework regarding the application of competition and internal market rules is therefore in no-one’s interest.”

In addition to exploring the future scope for port management reform in Europe, the study of Patrick Verhoeven revisits the role of port authorities, identifies trends in port management and governance and assesses the economic impact of port management reform. This is done through a review of literature, empirical evidence drawn from European seaports and an assessment of EU policy initiatives. The main academic contribution of his work, which was supervised by Prof Dr Eddy Van de Voorde, consists of a comprehensive analytical framework to measure the economic impact of port management reform and to identify influential process factors.

Source: University of Antwerp, 2/09/2015

CONTAINER TERMINALS ARE A BETTER BET FOR INVESTORS THAN THEIR BOX LINE CUSTOMERS

A rapid increase in the size of containerships and the formation of larger vessel-sharing alliances is creating “unprecedented challenges” for container terminals around the world, according to a new report. But the box handling facilities themselves remain a good bet for investors.

Shipping consultancy Drewry has just published its 2015 Global Container Operators Annual Report, in which it says that the rising port demand associated with “ever-larger vessels” is the driver for terminal operators to make significant investments in additional handling capacity. Drewry predicts that global port demand will grow at an average of 4.5% a year through to 2019, equating to an additional 168 million teu, bringing the annual global total to almost 850m teu. And, according to the consultant, Asia is set to be the star performer accounting for more than 60% of the forecasted growth during the period.

The response from the major international operators is to make “significant investments” in additional capacity over the next five years, says Drewry, albeit noting that some operators, being part of shipping line portfolios, “have little or no expansion plans”. Indeed, some ocean carriers have sold terminal assets to raise cash to prop up under-pressure balance sheets.

One of the report’s authors, Neil Davidson, senior analyst for ports and terminals, said owning and operating international container terminals remained a profitable business despite the “significant challenges ahead”.

“The typical EBITDA (earnings before interest, taxes, depreciation and amortisation) margins for international terminal operators remain in the range from 20-45% and the 2014 financial results were much in line with previous years, illustrating the consistency and reliability of container terminal operators’ profitability,” he said. “However, maintaining these margins will become increasingly challenging in the face of the demands created by bigger ships and alliances,” he added.

APM Terminals and DP World are the most active terminal operators in terms of the number of new projects scheduled, but Singapore’s PSA International is adding the most capacity, particularly in its home port, says the report. Hutchison, CMA CGM, TIL and ICTSI also have significant plans, with the latter’s expansion representing a 40% increase over the current capacity of its portfolio, notes Drewry.

Moreover, there are future contenders for the ranks of the world’s top terminal operators, including Ports America, Yilport, Gulftainer and Shanghai International Ports Group. Shares in terminal and port companies remain attractive to financial investors who see their business model stability and land assets as a much better bet than the boom and bust volatility of container lines. But there are a final few words of caution from Mr Davidson on the impact of ultra-large container vessels: bigger ships and the increased size of alliances will have “far reaching consequences, driving up operating costs and capital expenditure requirements”.
Source: The Loadstar, 24/08/2015

ICHCA Container weighing Seminar – 11 September

BIFA will represent CLECAT at a Container Weighing Seminar hosted by the International Cargo Handling Coordination Association (ICHCA), on Friday 11 September 2015, in London. The new IMO regulations requiring verification of a container’s gross mass will become mandatory from 1 July 2016. Organisations and national authorities must make preparations for this significant change to global container operations, however many are still deciding on how to properly implement the regulations.

The IMO has agreed on two methods for verification - method 1, where the container and its contents are physically weighed, and method 2, where the aggregate weight of all of the cargo items and other materials in the container is added to the tare weight of the container to arrive at a calculated weight. The seminar agenda includes discussion of the regulations’ requirements, their implementation, and their legal, contractual and commercial implications. Further information can be found HERE.

The topic will also be tackled at **CLECAT’s Freight Forwarders’ Forum** taking place on the 19th November in Antwerp. The issue continues to raise questions from the freight forwarding industry in particular with regards to implementation, new insurance policies in the light of the new legislation and new requirements to cover a forwarder’s liability. **Peregrine Storrs-Fox**, Risk Management Director, TT Club is a confirmed speaker at the FFF2015 on this topic.

RAIL

MARKET PLACE SEMINAR, ANTWERP 24-25 SEPTEMBER

FIATA and UIC are jointly organising the 7th edition of the Market Place Seminar. This year the seminar will be organised in Antwerp, on 24 and 25 September and will focus on "Rail Crossroads", hosted by the Port of Antwerp, VEA (Antwerp Forwarders association) and CEB (Belgian Forwarders Association).

The Market Place Seminar aims to create a lively exchange platform for railway undertakings, freight forwarders and customers, and their cooperation with sea carriers. By bringing together all participants of the logistics chain, we would like to create an opportunity to brainstorm effective transport solutions and attractive business opportunities. As in previous years, the conference will be conducted in a highly interactive format.
We will also discuss significant topics:

- Conjunction between sea and rail
- Terminal operations – Moving forward
- Railway connections - green light for hinterland traffic
- Effects of digitalisation on logistics

Detailed information regarding registration as well as the latest version of the seminar programme on WWW.MARKETPLACESEMINAR.ORG

ERFA COMMENTS ON THE GOVERNANCE PROPOSAL RAIL PACKAGE

ERFA has published a paper commenting on the latest draft of the 4th Railway Package Governance proposal in view of the Council Land Transport Working Party meeting taking place on 8 September.

ERFA opposes provisions that continue to allow anti-competitive behaviour, harming the quality of existing rail services as well as deterring new investment into the rail sector. In particular, ERFA seeks assurances that the functions for which the IM is held responsible, (i.e operation, maintenance and development of the rail infrastructure) are carried out independently of any RU.

ERFA continues to support the establishment of coordination platforms between the users and stakeholders of the rail network, in an open, transparent and inclusive format. The management of the rail infrastructure does not exist in a vacuum – it needs to be in communication with its users, customers and local/regional authorities in order to pool resources and efforts to improve rail's performance. To ensure the involvement and engagement of all parties involved in the dialogue ERFA advocates that the coordination committee is given an advisory role to the infrastructure manager, that it has the power to request relevant information from the IM in order to carry out its advisory tasks effectively and the ability to draw up an annual report.

CLECAT's supports the position of ERFA and submitted similar concerns and comments at the last Council meeting discussion on the governance proposal.

The paper is available HERE

Rail Freight Corridor 6 - Annual Report

The Rail Freight Corridor 6 (Mediterranean) has published its annual Report at https://www.railfreightcorridor6.eu/RFC6/index.html#documents

The Annual Report 2014 provides general information on the activities carried out by RFC 6 – Mediterranean Corridor in 2014 and on the fulfilment of the regulatory obligations provided by Regulation 913/2010. The Report includes an overview on the activities carried out for the setting up of the Corridor; management structures; corridor results and achievements in 2014 (Time Table 2014-2015) and future developments.

AIR

Schiphol 'Milk Run' collaboration set to optimise supply chain and cut CO2

An innovative partnership project between members of the Amsterdam Schiphol logistics community aims to optimise the inbound supply chain at the airport and reduce CO2 by streamlining the delivery of import shipments from handling agents to forwarders' warehouses.

Organized by the steering committee forwarders of Air Cargo Netherlands and currently undergoing proving trails, the new 'Milk Run concept' would replace forwarders' own truck collections from all handling agents, with a single delivery from the handling agent to multiple forwarders' facilities.

This would dramatically reduce truck traffic on and around the airport, so cutting truck queues and in turn, would improve service for forwarders, release their vehicles and drivers for other more profitable activities, and cut CO2 emissions, said Air Cargo Netherlands.

The launch partners in the new Milk Run service are DHL, Panalpina, Nippon Express, Menzies (as the handling agent triallist and scheme manager), Bos Logistics (which provides the collection and delivery service on behalf of Menzies) and community system provider Cargonaut. Another ten forwarders will take part in later trials.

The Milk Run system will incorporate an online portal that enables all participants to monitor their shipments prior to arrival at Schiphol, until the freight is delivered to the forwarder's door, bringing greater transparency to the entire import process.

"In the Milk Run, innovation has been achieved through commitment and collaboration from the industry, and the launch partners have co-funded the initiative," said Luc Scheidel, Commercial Director of Cargonaut.

"This is yet another example of how the Schiphol community's close collaboration enables progress to be made that no individual party could accomplish on its own. This is as important as the early results, which incidentally look very promising."

Panalpina World Transport's Business Unit Manager Amsterdam, Dimitri Brink, said his company was keen to support any initiative, such as the Milk Run that saves time and improves efficiency in the airfreight supply chain.

"The Milk Run is already exceeding our expectations, freeing up our vehicles and drivers, and giving us earlier access to import freight. If this success can be extended to all imports through Schiphol, it will score yet another advantage for the airport in its role as a major gateway for Europe," he added. To date, the number of vehicle movements used to handle the import traffic between the participants has already been reduced by 30%, with load factors increasing from an average 25% to over 60%.

The Milk Run pilot will run until the end of 2015, when a full evaluation will take place. If the trial is considered a success, the eventual aim is to operate a similar facility for export cargo.

Source: Lloyd's Loading List, 25/08/2015

SUSTAINABLE LOGISTICS

MEETING OF GLEC MULTIMODAL ACTION GROUP

CLECAT attended the meeting of the Global Logistics Emissions Council Multimodal Action Group at Schiphol on 26 August. The meeting discussed numerous issues concerning GLEC's progress in creating a framework for measuring and monitoring emissions from the logistics chain. This included feedback from the CONSULTATION which is open on the GLEC website, as well as a presentation on verification and assurance structures from Jennifer Iansen-Rogers of ERM Certification & Verification Services.

The consultation remains open, and CLECAT members are invited to contribute. A consultation meeting, to discuss the questions in further depth with stakeholders, is to be held in Brussels on 28 October. Further details will be distributed to members in due course.

GENERAL

WESTERN BALKANS SUMMIT: DECLARATION ON THE EXTENSION OF TEN-T

At the Western Balkans Summit, which took place in Vienna on 27 August 2015, six Western Balkan countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, the former Yugoslav Republic of Macedonia, Serbia) signed a common Declaration with High Representatives of the EU institutions and Member States.

All participants particularly welcomed the substantial progress achieved in terms of Transport Connectivity, notably the agreement by the Western Balkan six Prime Ministers in Brussels in April on the regional core transport network corridors, and the further agreement (in Riga in June at the TEN-T days) on the core network corridors, projects to be implemented by 2020 and the appointment of corridor coordinators. This will enhance the connectivity between the Western Balkans countries as well as with the EU network.

The Western Balkan countries recognised the importance of an efficient project implementation in cooperation with the concerned lead International Financial Institution. This is required in order to make full use of the approximately EUR 1 billion from the IPA II program available as potential co-financing for key connectivity related investments over the 2015-2020 period. The Western Balkan countries have agreed on the list of six transport infrastructure investment projects reflecting core priorities and the necessary maturity for imminent implementation which will be proposed for inclusion in the IPA 2015 multi-country program. They include an intermodal terminal, two bridges and three railway projects. Finally, the Western Balkan countries have agreed to a priority list of 'soft measures' in transport.

The full declaration can be found here HTTP://EC.EUROPA.EU/ENLARGEMENT/PDF/POLICY-HIGHLIGHTS/REGIONAL-COOPERATION/20150828_CHAIRMANS_CONCLUSIONS_WESTERN_BALKANS_SUMMIT.PDF
The lists of the indicative extension of TEN-T to the Western Balkans can be found HERE.

PUBLIC CONSULTATION ON EU-WIDE MULTIMODAL TRAVEL INFORMATION SERVICES

DG MOVE has launched a public consultation on the provision of EU-wide multimodal travel information services under the ITS Directive 2010/40/EU.

Intelligent Transport Systems (ITS) can significantly contribute to a more sustainable, safer and efficient transport system and the ITS Directive was adopted to accelerate the deployment of these innovative transport technologies across Europe. The ITS Directive provides for the adoption of functional, technical and organisational specifications in the form of a delegated act to ensure the compatibility, interoperability and continuity for the deployment and operational use of EU-wide multimodal travel information services (Priority Action "A" of the ITS Directive). This delegated act will be a binding policy measure laying down provisions containing requirements or any other relevant rules to be followed in the case of deployment.

The public consultation will be open for 12 weeks.

More information is available here

FIRST CORE SUPPLY CHAIN FORUM

The First CORE Supply Chain Forum will be held in Antwerp on 24 September during the Transport and Logistics Fair at Antwerp Expo. The CORE project, in which CLECAT is a partner, is focused on improving supply chain security, resilience and efficiency.

The Forum will include presentation of the project's initial findings after its first year, as well as discussion and Q&A sessions. The topics for discussion include:

- security and resilience of the international trade lanes that use different transport modes including truck, ocean carrier, and rail;
- advanced data-sharing for the supply chain visibility and re-use of these business controls for government inspection agencies;
- global data pipeline concept to air cargo supply chains, and others.

CLECAT will attend, alongside EU officials, customs, supply chain organisations and academia.

If you would like to participate please register **HERE** no later than 17 September.

The CORE User Requirements Questionnaire has been reopened, and is available HERE. Members are encouraged to reply so as to determine how end users perceive the possibilities of CORE's seven innovation concepts for securing supply chains.

FORTHCOMING EVENTS

CLECAT MEETINGS:

Air Logistics Institute
- 13 October 2015 (morning), Brussels

Supply Chain Security Institute
- 13 October 2015 (afternoon), Brussels

Road Logistics Institute
- 14 October 2015 (morning), Brussels

Sustainable Logistics Institute
- 14 October 2015 (afternoon), Brussels

Customs and Indirect Taxation Institute
- 15 October 2015, Brussels

Maritime Logistics Institute
- 18 November 2015, Brussels

CLECAT Freight Forwarders Forum
- 19 November 2015, Antwerp

Board & General Assembly
- 19 November 2015, Antwerp

OTHER EVENTS with CLECAT PARTICIPATION

ICHCA conference
- Friday 11 September 2015, London

FIATA 2015 World Congress
- 8 – 13 September 2015, Taipei

Market Place Seminar
- 24-25 September 2015, Antwerp

CORE Supply Chain Forum
- 24 September2015, Antwerp

Seminar on EU Road Package
- 28 September 2015, Brussels

International Lorry Security Summit
- 28 September 2015, Brussels

GLEC Consultation meeting
- 28 October 2015, Brussels

FERRMED Conference, Brussels
- 12 November 2015

EU Commission Rail Freight Day 2015 Conference
- 4 December, Vienna

EU meetings

European Parliament

Transport Committee
- 14/15 September 2015
  - Agenda available HERE
- 12 October 2015, (afternoon), Brussels
- 13 October 2015, (morning and afternoon), Brussels