

## Newsletter Issue 33 / 18 September 2015

### NEWS FROM BRUSSELS

#### EC EVENT ON THE 2011 WHITE PAPER: ACHIEVEMENTS AND CHALLENGES

CLECAT has been invited to an event organised by the European Commission on the 12<sup>th</sup> November reviewing the outcome of the public consultation on the 2011 White Paper on Transport. The White Paper sets out an action plan and a vision on transport policy until 2050. The Commission intends to report on its implementation by the end of 2015. The vision, targets and objectives of the 2011 White Paper are still valid and topical. At the same time, the priorities of the new Commission warrant a deeper reflection on the orientations of EU transport policy, in order to ensure their compatibility and complementarity notably with the general agenda for growth, jobs and sustainability, the energy union action plan and the digital agenda. Moreover, transport policy initiatives must be focused around the needs of the people.

The event will be an opportunity for the European Commission to present the state of play and outlook on the Transport White Paper and to engage in an open dialogue with policy-makers from all institutions and Member States as well as stakeholders on the most important issues resulting from the input received from the other EU institutions and transport stakeholders in general.

Source: [European Commission](#)

#### FREIGHT' FORWARDERS FORUM 2015: 'MOVING THE MARITIME SUPPLY CHAIN FORWARD'

CLECAT's Annual Freight Forwarders Forum addressing trends and developments in the maritime logistics chain will take place at the Port of Antwerp on the 19th November.

The Forum will include key note speeches from policy makers, industry leaders and academia, as well as three round table discussions. Confirmed speakers include **Stijn Rubens**, Supply Chain Advisors, Drewry, **Désirée Oen**, Deputy Head of Cabinet for Transport Commissioner Bulc, **Jens Poggensee**, President Freight Forwarding Europe, UPS, **Olaf Merk**, Administrator, Ports and Shipping, International Transport Forum, **Lamia Kerdjoudj-Belkaid**, Director-General, FEPORT, **Lennart Heip**, Dow Logistics, **Peregrine Storrs-Fox**, Risk Management Director, TT Club, **Lars Kjaer**, World Shipping Council and others.

The first session will address the bigger trends in the global container supply chain. Industry has witnessed further concentration in the market and questions ways to accommodate 'megaships.' The Forum will discuss recommendations made in a recent report from the International Transport Forum (ITF) on 'the Impact of Mega-Ships' suggesting that the new generation of mega-ships has a serious impact on the rest of the transport chain and may add \$400 million in annualised costs.

The second panel will discuss innovation in the maritime logistics chain including further digitalisation. Opportunities for the maritime supply chain include improved efficiencies and predictability but how to deal with the impediments (e.g. cyber-security, data-protection)?

The third panel will deal with the new IMO regulations requiring verification of a freight container's gross mass which will become mandatory from 1 July 2016. Many organisations - and, indeed, national authorities - are not yet prepared for this significant change to global container operations. A high level panel will discuss policies in the light of the new legislation.

The programme of the FFF15 is available [HERE](#) and registration will be open soon.

## RAIL

### CLECAT AND ESC CALL FOR SECURING CAPACITY ON RAIL FREIGHT CORRIDORS

CLECAT and ESC have in a joint letter to the European Commission issued today expressed concern about the potential lack of capacity for international trains which could hamper the functioning of the European rail freight corridors. CLECAT and ESC are concerned that there is little or no possibility for international rail freight to receive pre-arranged paths through the entire corridor in line with the capacity demand.

Within the Single European Railway Area Committee (SERAC) Member States are discussing the Implementing Act concerning framework agreements which in the view CLECAT and ESC should specifically address capacity issues in international freight trains. There is a clear need for giving priority to international freight trains in order to ensure the proper functioning of rail freight corridors and to increase the market share for international rail freight. However, there is a tendency to only reserve capacity for national/passenger traffic. One way forward could be to set a minimum capacity level for pre-arranged paths before reserving capacity for framework agreements in corridors, in order to free capacity for international trains in the corridor.

## ROAD

### RISING FREIGHT CRIME PROMPTS NEW TAPA TARGETS

Rising freight crime levels have prompted the Transported Asset Protection Association (TAPA) to launch a global campaign to double the number of TAPA-certified warehouse facilities to over 2,000 in Europe, the Americas and Asia Pacific in the next three years and to make a "quantum leap" in the number of trucking companies operating in compliance with the association's security standards.

The association said the threat of cargo crime continued to increase across the globe, with TAPA EMEA (Europe, Middle East & Africa)'s Incident Information Service (IIS) recording a 24% year-on-year increase in the first half of 2015 in industry-wide cargo crime incidents. TAPA said its research indicates that TAPA members are far less likely to be victims of cargo crime because of the measures they have introduced.

TAPA's Facility Security Requirements (FSR) and Trucking Security Requirements (TSR) have been developed by supply chain security professionals and logistics specialists. Independently-audited, they are widely respected as the leading security standards for the movement of high value, theft targeted goods and many supplier contracts now demand compliance with TAPA Standards.

One aim of the certification campaign is to build greater awareness among TAPA's manufacturing members of the freight, logistics, and transport companies that provide TAPA-certified facilities and trucking operations. This will include a new quarterly 'Certification Bulletin', profiles in the Association's membership magazine and promotion through a new annual Directory of TAPA Certified Companies. TAPA is also looking to develop a new online tool that will enable manufacturers to ask if their transport and logistics service providers are TAPA certified.

Thorsten Neumann, Chairman of TAPA EMEA, commented: "The TAPA members that are certified at the top levels of our Security Standards already understand the benefits because of the level and quality of business they get by being TAPA certified. However, the threat of cargo crime is increasing and that is why we need a bigger choice of services from companies that have demonstrated their commitment to a secure supply chain by adopting our Standards.

"Having recently certified our 1,000 global FSR facility, we see the need to double this figure over the next three years. In addition, the high volume of road-based cargo crime means there is a big window of opportunity for transport companies to increase their levels of business by completing our TSR certification. We have set an ambitious growth target but every new certification makes a supply chain that much safer for the companies using it."

The campaign includes a new self-certification programme for TAPA's entry level FSR Class 'C' and TSR Level '3' Security Standards. TAPA is providing free training for members' in-house auditors and once this is successfully completed they can undertake their own audits to demonstrate compliance with Class 'C' and Level '3'.

TAPA's mission is to minimise cargo losses from the supply chain through the development and application of global security standards, recognised industry practices, technology, education, benchmarking, regulatory collaboration, and the proactive identification of crime trends and supply chain security threats.

Source: [Lloyd's Loading List](#), 15/09/2015

## DRIVERLESS HAULAGE VEHICLES COULD SAVE INDUSTRY £34BN IN 10 YEARS

A new study undertaken by AXA UK has found that there would be significant economy-wide business and consumer advantages with the advent of automated or 'driverless' haulage and logistics vehicles, including delivering nearly £34bn in savings to the haulage industry.

The Future of Driverless Haulage report found that if these savings were passed onto consumers, this would equate to over half of a person's weekly retail expenditure or almost one and a half weeks' worth of groceries, the equivalent of roughly £150 savings on grocery spend per household. Furthermore, the study – undertaken in conjunction with Douglas McNeill, an independent financial analyst and expert in the transport and logistics sector – found that when considering the anticipated cost savings across four cost categories (labour, fuel, insurance and vehicle utilisation), there would be an estimated £33.6bn of savings – and potentially as high as £47.5bn – after 10 years. Specifically savings would come in the following forms:

- Labour savings would arise as driverless vehicles reduce the need for drivers;
- Fuel consumption savings would arise because computer controlled vehicles drive in a more efficient manner than those driven by people;

- Insurance savings would arise if driverless vehicles proved less accident-prone and insurers are able to pass on the benefit to the haulage industry in the form of lower premiums and;
- Vehicle utilisation savings would stem from the fact that driverless vehicles would be free from the restrictions of driver working hours.

Almost every industry in the UK relies to some extent on transporting goods from one place to another and the cost of doing so is ultimately fed through to consumers. If the cost of haulage decreases dramatically as a result of driverless technology, it stands to reason that the cost of many goods will also fall.

Source: [AXA UK](#), 7/09/2015

## MARITIME

### INDUSTRY FEARS LAW ON CONTAINER WEIGHT VERIFICATION COULD BRING CARGO CHAOS

At a seminar on container weighing held by ICHCA in London on 11 September, delegates discussed the need to clarify the practicalities of implementing the International Maritime Organization's (IMO) new regulation on container weights. Robert Windsor from BIFA represented CLECAT in a panel discussion on the current state of implementation and the necessary future steps.

From next summer, shippers will have to prove the weight of their containers through one of two methods: weighing the loaded container (Method 1); or weighing the cargo and adding the tare weight of the container (Method 2).

It will remain up to national jurisdictions to decide if they will accept both methods, and WSC senior vice president Lars Kjaer said the US had already decided it will only accept Method 1 as proof of the verified gross mass (VGM) of a container.

In contrast, the UK's enforcement body, the Maritime & Coastguard Agency (MCA), has said it will accept Method 2, and has begun developing an accreditation scheme for UK shippers in concert with the Freight Transport Association (FTA).

MCA hazardous cargo advisor Keith Bradley said it was "essential that we make Method 2 work", as with the right process it could be much more efficient. "Many members involved in the UK's maritime trade are already operating to a variety of standards, such as AEO or ISO9000, and many companies have enterprise resource systems (ERPs) such as SAP that means they will know the weight of their cargo.

"We have also had a very clear message from the port industry that it does not have the weighing equipment, nor does it want to invest in it. But ports have to consider what they are going to do if a box arrives at the port without a VGM," he said.

UK shippers will need to apply for accreditation to Method 2, with the MCA set to audit applications. FTA director of global and European Policy Chris Welsh said the organisation would be launching a service to help its members with applying for accreditation.

However, John Foord, president designate of the Federation of National Associations of Ship Brokers and Agents, questioned the viability of this approach, given the increasingly tight timeframe.

"It will be interesting to know if the 14,000 FTA members will all be accredited by 1 July 2016... I suspect that simply can't happen, which means lots of UK exporters will have to use weighbridges.

But there isn't a weighbridge near Felixstowe, for example, and there could be a significant deviations on road journeys to go via a weighbridge on the way to a port.

"There really could be a lot of deviation," Mr Foord added, "and some of the shipping lines charge shippers £2 per mile. I can see shipper easily having to an extra £50-60 per container just because of this issue."

[The Loadstar](#), 15/09/2015 (extract)

CLECAT is continuing to monitor the implementation of the requirements by national authorities, as well as discussing with stakeholders issues including the role and liability of forwarders when acting as the shipper/carrier. The Freight Forwarders Forum on 19 November will include a panel discussion on the implementation of the rules.

## AIR

### IATA WARNS OF GROWING THREAT TO AIRCRAFT FROM ONLINE LITHIUM BATTERY SALES

Concerns are growing within the air cargo industry over the transport of lithium batteries, due to the wilful neglect of regulations by shippers and their lack of safety oversight. Addressing Air Freight Institute (AFI) delegates at the FIATA World Congress in Taipei last week, IATA global head of cargo Glyn Hughes said the industry needed to be increasingly aware of some shippers trying to circumvent regulations and deliberately shipping dangerous cargo.

"As an industry we have to be vigilant. We have to be thinking about how we can spot these shipments and prevent them, because in some cases there is wilful neglect in terms of the resolutions, the regulations and the shipping requirements of ICAO," he said. Mr Hughes gave two examples of how avoiding regulations could have resulted in serious danger to airliners.

He showed a scanned AWB for a Philippine Airlines consignment of leather cases, chargers and screen protectors, which clearly stated "no batteries, no magnets". In fact, the shipment contained thousands (300 boxes, weighing six tonnes) of lithium batteries, which were not packed properly, labelled or declared. Fortunately the shipment was discovered smoking in a warehouse before loading.

In a second and even more blatant example, Mr Hughes showed a product description for a powerful lithium polymer battery used with model aircraft. Worryingly, the seller clearly knew the regulations and yet chose to commit fraud to ensure the battery could be transported by air.

Meanwhile, the proliferation of e-commerce sites and consumer-to-consumer exchanges such as Ebay, is resulting in a new wave of individual shippers gaining direct access to commercial air freight. The challenge of enforcing safety regulations is growing alongside the number of international shippers selling hi-tech goods online. He added: "This is an increasingly alarming situation. So as IATA we're reaching out to a lot of the e-commerce sites and asking them to be more vigilant and ensure their sellers are compliant with the regulations."

Working alongside the World Customs Organization and the Universal Postal Union, IATA is also planning a poster campaign inside local postal offices around the world which aims to raise awareness and to remind people of their obligation to ship packages safely.

Source: [The Loadstar](#), 16/09/2015

## IATA TO DEVELOP eAWB PLATFORM FOR SMALLER FORWARDERS

IATA has confirmed that it is developing simple 'form-fill' eAWBs for low-volume forwarders. Speaking on the sidelines at last week's FIATA World Congress in Taipei, Glyn Hughes, IATA Cargo chief, said that IATA has been asked to look at something simple and low-tech, as despite the proliferation of highly sophisticated systems on the market, very few are affordable for the small forwarder doing 10-15 shipments a week.

Mr Hughes said that because IATA has the CASS billing system – an online platform used by 16,000 forwarders – it has been asked to come up with a simple type of form-fill for an e-AWB. While some IT companies have expressed concern that IATA appears to be stepping into their marketplace, having the advantage of CASS, IATA has insisted it is only providing a basic service to forwarders which may otherwise be neglected. "This will send a simple message with the shipment details, it's all very basic. We'll hopefully be rolling that out in the next couple of months," Mr Hughes said.

John DeBenedette, director of WIN, an e-AWB platform designed for smaller forwarders and taken up by WCA members, was cautious in welcoming IATA's move. "There are e-AWB platforms readily available that are simple to use and specifically designed for small agents. And major carriers have their own free websites for this already.

"Transforming the way forwarders' export operations work is different, and harder perhaps than one accountant doing settlement, but IATA surely has data about agents and shipments that would give it a head start, and depending on how it prices it, this adds a new channel to help the industry shed its legacy of paper." IATA has admitted that its 45% target for e-AWB penetration in 2015 looks likely to be missed. Mr Hughes said that at 29.4%, around a 0.5% increase from August, penetration is slower than expected and not sufficient to meet the industry target.

According to Mr Hughes, there are huge gaps between utilisation rates, both between different countries and between individual carriers, with some carriers reaching 60-80% utilisation, compared with others on 1-3%, and with some countries on 60%, compared with the lowest on 5%.

The adoption of e-AWB is a critical stepping-stone to the industry's ultimate vision for supply chain optimisation via e-freight, which will see the complete removal of physical documentation from air cargo. Not only will this remove the need to transport heavy documents, but it will also provide a platform for more efficient communication between supply chain stakeholders.

Asked whether FIATA was doing enough to encourage take-up, Mr Hughes explained that while as an industry everyone could do more, forwarders needed to focus on changing their processes and the current culture of doing things, since most of the actual systems needed are already in place and investments have been made.

Source: [The Loadstar](#), 15/09/2015

## CUSTOMS

### NEW EU REGULATION ON MUTUAL ASSISTANCE BETWEEN NATIONAL CUSTOMS AND THE EC

On the 8<sup>th</sup> of September 2015, the European Parliament endorsed the proposal for a Regulation amending [COUNCIL REGULATION \(EC\) NO 515/97](#) on mutual assistance between the administrative

authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters.

This new Regulation will allow customs and OLAF to access information to track the origins and routes of cargo containers arriving in the EU to support the fight against customs fraud, through the open access to Container Status Messages (CSMs) data. The proposal therefore opens the directories set up in the Regulation 515/97, namely the directory of data reported by carriers ("transport directory") and the directory of reported Container Status Messages ("CSM directory"), to competent authorities designated by Member States and approved by the Commission.

The Commission estimates also that it is necessary that carriers submit to the Member States data concerning container movements in so far as they collect such data in electronic formats by way of their equipment tracking systems or have such data stored on their behalf. For that purpose, the Commission plans to establish a single directory on import, export and transit, where the data should be directly transmitted by the carriers (including the transit of goods within the Member States and direct exports). This directory will also be accessible to the authorities mentioned above.

The Regulation will be published soon in the Official Journal and will enter into force the 1<sup>st</sup> of September 2016.

The Regulation is available [HERE](#).

## SUSTAINABLE LOGISTICS

### EP CALLS FOR INCLUSION AVIATION AND SHIPPING IN PARIS CLIMATE DEAL

The heads of 7 of the 8 political groups of the European Parliament's Environment Committee wrote a letter earlier this week to the Environment Ministers of the 28 EU countries urging them to include international shipping and aviation in a global climate deal in Paris. The letter stated: 'To promote increased climate ambition from ICAO and IMO, like all the other sectors of the global economy, aviation and international shipping require an emissions reduction target. There is no reasonable excuse to continue exempting these two sectors from the global policy framework. Aviation and shipping need to contribute in the same way that is required of all UNFCCC (United Nations Framework Convention on Climate Change) parties, large and small.' The Environment Ministers of the 28 European Member States are meeting today to finalise the EU position for COP21. The European Parliament called last week for the establishment of an EU 2030 emissions reduction target for shipping and measures for the reduction of ships' speed (slow steaming) in the Resolution on the Transport White Paper.

### UN SECRETARY-GENERAL APPOINTS HEAD OF ITF AS ADVISOR ON SUSTAINABLE TRANSPORT

ITF Secretary-General José Viegas has been appointed to UN Secretary-General Ban Ki-moon's High-Level Advisory Group on Sustainable Transport. The High-Level Advisory Group was established in 2014 to provide the UN Secretary-General with actionable policy recommendations on sustainable transport on national, local and sectoral levels, and to promote the integration of sustainable transport both in development strategies and climate action. The group has a three-year mandate. It will next convene during the COP21 climate change negotiations in Paris, France, in December of this year.



José Viegas said: “This appointment is a reflection of the growing relevance of ITF’s analyses for the global transport policy debate. Being represented in the UN Secretary-General’s High-Level Group is cause for pride for ITF as much as a reason to reinforce our efforts.”

“This is a pivotal year for integrating transport policy into the wider debate on the future of our planet. The UN Sustainable Development Summit in September and the COP21 climate change conference in Paris in December will lay the tracks for future policy direction. ITF will bring relevant, evidence-based insights to the table and support in every way it can Secretary-General Ban’s holistic approach that includes the transport dimension in shaping responses to issues such as climate change and human development.”

Source: ITF Media Release, 15/09/2015

## GENERAL

### TOWARDS A DIGITAL SINGLE MARKET ACT

On September 15, Rapporteur Ms Merja Kyllönen (GUE/NGL; FI) presented the draft opinion on a digital single market to the TRAN Committee of the European Parliament. The draft opinion welcomes the Commission's perspective presented in its Communication ["A DIGITAL SINGLE MARKET STRATEGY FOR EUROPE"](#). The Rapporteur emphasised that the implementation of digitisation and the enhanced deployment of Intelligent Transport Systems will be key tools to make the European transport system more efficient and productive. She called for an assessment of how the EU's regulatory framework was adapted to the new digital age. The Shadow Rapporteurs and other Members supported the overall orientation of the draft opinion. They also called for:

- The integration of new digital technologies in the transport sector;
- A high level of data protection;
- Recognition of the importance of education and training;
- Geo-blocking of transport linked services to be prevented;

Deadline for amendments: 22 September 2015

Vote in TRAN Committee: 10 November 2015

Vote in plenary: 18 January 2016

### PRE-PUBLICATION OF FINAL DRAFT HORIZON 2020 TRANSPORT WORK PROGRAMME 2016/17

The European Commission has published draft versions of the Horizon 2020 work programmes for 2016-2017. These documents are made public just before the adoption process of the work programme to provide potential participants with the currently expected main lines of the work programme 2016-2017. They are not yet endorsed by the Commission and they do not in any way prejudice the final decision of the Commission.

The adoption and the publication of the work programme by the Commission are expected by mid-October 2015. Only the adopted work programme will have legal value. This adoption will be announced on the [Horizon 2020 website](#) and on the [Participant Portal](#).

An Info Day on the Horizon 2020 Work programme 2016-2017 ‘Smart, green and integrated transport’ will take place on 5 November 2015 in Brussels. The European Commission services responsible for transport research, Directorates-General Research & Innovation (RTD), Mobility and Transport (MOVE) and Connect (CNECT), as well as the Innovation and Networks Executive Agency (INEA) – will organise the information day to present the new Horizon 2020 Work Programme for 2016-2017 in the area of transport research and innovation.



## 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, Antwerp (morning)

#### **Rail Institute**

- 18 November 2015, Antwerp (afternoon)

#### **CLECAT Freight Forwarders Forum**

- 19 November 2015, Antwerp

#### **Board & General Assembly**

- 20 November 2015, Antwerp

### **OTHER EVENTS with CLECAT PARTICIPATION**

#### **SAGAS**

- 23 September 2015, Brussels

#### **Market Place Seminar**

- 24-25 September 2015, Antwerp

#### **CORE Supply Chain Forum**

- 24 September 2015, Antwerp

#### **Seminar on EU Road Package**

- 28 September 2015, Brussels

#### **International Lorry Security Summit**

- 28 September 2015, Brussels

#### **EUROSKY Advisory Board**

- 2 October 2015, Brussels

#### **EC Conference on Land Transport Security Incident Reporting**

- 6-7 October 2015, Brussels

#### **GLEC Consultation meeting**

- 28 October 2015, Brussels

#### **EC Conference on the 2011 White Paper: achievements and challenges**

- 12 November 2015, Brussels

#### **FERRMED Conference**

- 12 November 2015, Brussels

#### **FEPORT Conference**

- 3 December 2015, Brussels

#### **ACEA Conference**

- 3 December 2015, Brussels

**EU Commission Rail Freight Day 2015 Conference**

- 4 December, Vienna

**EU meetings****European Parliament**

Transport Committee

- 12 October 2015, (afternoon), Brussels
- 13 October 2015, (morning and afternoon), Brussels