CLECAT european voice of freight logistics and customs services •

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NEWS FROM BRUSSELS

CLECAT INSTITUTES MEET IN BRUSSELS

The CLECAT Supply Chain Security, Air Logistics, Road, Sustainable Logistics and Customs and Indirect Taxation Institutes met in Brussels on 13-15 October.

The Air Logistics Institute discussed numerous developments in air transport, including air cargo security issues; implementation of the e-CSD, e-Freight and the EC Digital Transport and Logistics Forum; discussions with IATA on monitoring and reporting of air cargo emissions; and the forthcoming EU Aviation Package. TLF briefed delegates on recent discussions with IATA concerning CASS at Paris Charles de Gaulle airport.

The Supply Chain Security Institute discussed a range of issues across transport modes, including US recognition of RA3/KC3; EU and international developments on advance air cargo information; development of a database of approved carriers, shippers and agents; latest status of the ENS in the Union Customs Code; and the recent conference on Incident Reporting in Land Transport Security. Mr Jens Poggensee, President Freight Forwarding Europe Region UPS Europe, nominated by DSLV, was elected Chair of the Institute, and Mr Olivier Layec, Secretary General of Crystal Group nominated by TLF, was elected Vice-Chair.

The Road Institute discussed the forthcoming EC Road Package, initiatives on road pricing, the implementation of the German minimum wage for international road transport, regulations on weekly rest time and developments concerning the TIR carnet in Russia. Together with the Sustainable Logistics Institute, delegates received a presentation from Patrik Akerman of Siemens on the company's eHighway project, which seeks to provide electric road freight transport using hybrid trucks connected to overhead power lines.

The Sustainable Logistics Institute discussed work towards establishing a global methodology for calculating the carbon footprint of freight transport, monitoring and reporting of air cargo emissions, the EU's 2030 Energy and Climate Strategy and the forthcoming UN climate summit in Paris. A presentation was given by William Todts of Transport & Environment on his organisation's views concerning the role of road transport in meeting the 2030 climate goals.

The Customs and Indirect Taxation Institute discussed the continuing passage of the draft legislation surrounding the Union Customs Code. Particular attention was paid to the Transitional Delegated Act, which outlines the IT projects being developed that are to support the practical implementation of the new legislation. The CITI also discussed in detail the draft Directive on sanctions and infringements and the ongoing work on the Competency for Customs Representatives Standard. The meeting also discussed the upcoming CLECVAT / CORE workshop on **'importing into the EU under the new Union Customs Code**.' Full details are given below.

NEXT ELP DINNER DEBATE: FROM COMODAL TO SYNCHROMODAL TRANSPORT -19 OCTOBER

European Logistics Platform

The ELP is organising on Monday 19th October a dinner debate hosted by MEP Wim van de Kamp on **"Successful supply chain solutions: from co-modal to synchro-modal transport."**

Moderated by Nicolette van der Jagt, Director General of CLECAT, the evening will hear presentations from Rob Bagchus, Europe Container Terminal (ECT Rotterdam), Marc Verelst, Supply Chain Research & Innovation at Procter & Gamble and Sandro Santamato Head of Unit, Maritime Transport and Logistics in DG MOVE.

The White Paper on Transport supports co-modality, aimed at creating strong framework conditions for each mode of transport in its own right and in co-operation with other modes. Synchromodality builds on this; recognising the need for further improving the efficiency of the transport chain with a special focus on hinterland connections. As such, synchromodality – as already practiced by logistics service providers and freight forwarders - creates more efficient transport services that are more responsive to customer current and future needs, in particular in view of a forecast increase in freight volumes. The ELP dinner will showcase some positive experiences with synchronized intermodal services in port-hinterland container transport, and in the supply chains of shippers. The European Commission will give a response in view of the review of the White Paper.

Join the ELP in discussing further innovation in transport and logistics in support of sustainability concerns.

Registration is still possible by sending an email to INFO@EUROPEANLOGISTICSPLATFORM.EU

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

RESERVE YOUR SEAT for CLECAT's Freight Forwarder Forum '**MOVING THE MARITIME SUPPLY CHAIN FORWARD**' taking place on November 19 in Antwerp. The event will gather key policy and business leaders for a lively discussion on mega-trends in the maritime supply chains with 3 sessions debating:

- Big Ships = big challenges for the supply chain
- Creating a smooth Maritime Supply Chain through Innovation
- Container Weight Verification Rules: from legislation to implementation

Confirmed speakers include

- **Stijn Rubens**, Senior Consultant - Supply Chain Advisors, Drewry
- **Desiree Oen**, Deputy Head of Cabinet Commissioner Bulc, EC
- **Jens Poggensee**, President Freight Forwarding Europe Region UPS Europe
- **Tom Verbeke**, General Manager, "K"Line (Europe)
- **Olaf Merk**, Administrator, Ports and Shipping, International Transport Forum
- **Lamia Kerdjoudj-Belkaid**, Director-General, FEPORT
- **Dr Christa Sys**, Holder of the BNP Paribas Fortis Chair - Transport, Logistics and Ports
- **Ronald Plevier**, Sales Director for Benelux, Germany and Central Europe at INTTRA
- **Lennart Heip**, ITO/MPC/Air Mode Leader Europe, Dow Logistics

- **Peregrine Storrs-Fox,** Risk Management Director, TT Club
- **Lars Kjaer**, Senior Vice President, World Shipping Council
  and others

When: Thursday, November 19, 2015 - Registration/lunch 12.30 event 13.30 -18.30
Where: Port of Antwerp, Havenhuis, Entrepotkaai 1, 2000 Antwerpen
Programme: click here

CLECAT/CORE Workshop 'Importing into the EU under the new UCC'

In conjunction with the Freight Forwarders' Forum, CLECAT and CORE will organise a workshop on **'importing into the EU under the new Union Customs Code**.' The event will gather key policy and business leaders for a lively discussion on the new legal framework of the UCC and IT needs to ensure enhanced data quality and improved risk assessment. CORE will address possible solutions for standardisation and automation in data analysis.

When: Thursday, November 19, 2015 - Registration/coffee 10.00 event 10.30-12.30
Where: Port of Antwerp, Havenhuis, Entrepotkaai 1, 2000 Antwerpen
Participation in the Workshop is free of charge.
Programme: click here
RSVP: by email to poppa@clecat.org (name, company, address)

RAIL

Industry joint recommendations for Dialogue on Wagonload Transport

CEFIC, CEPI, CER, CLECAT, EFIP, ESC, ESPO and UIP have issued a joint position on wagonload transport which has been sent to the European Commission with the request to have a meeting on the paper.

Wagonload is of crucial importance to certain European industries and freight forwarders would like to have access to the services. In spite of its importance, wagonload is declining and could disappear altogether in some European countries. This was one of the main conclusions of the study on wagonload traffic in Europe carried out by PwC on behalf of DG MOVE in 2014.

The associations recall the urgency of taking action to prevent wagonload services from further decline. While market-driven solutions are crucial, policy intervention and support is also needed. In view of this, the associations have started an open dialogue on the need to revitalise wagonload services. The joint paper outlining some recommendations serves as the basis and a starting point for further dialogue and action at policy and operational levels.

The paper will be available on the CLECAT website.

ROAD

CLECAT participates in DG Move Seminars debating Upcoming Road Package

CLECAT participated today at a second seminar organised by DG MOVE in anticipation of the upcoming Road Package.

Following the seminar on the freight issues which took place on the 28th September, discussing market access related issues and social issues, today's seminar discussed charging and interoperability in road transport. The purpose of the meetings is to have an open discussion with stakeholders on issues that will be part of the Road Package. Considering that these initiatives are still undergoing ex-post evaluations, the discussions will focussed on preliminary ex-post findings presented by the Commission during the seminars.

CLECAT is in the process of finalising position papers on access to the market (including cabotage) and charging which need to be sent to the Commission before the end of the month.

Strike at port of Calais causes freight delays

The Port of Calais is once again subject to disruption for trucks bound for the UK, due to strike action by port security workers that began early in the day on 13th October. Truck check-in posts have been blocked by strikers, who are demanding better working conditions and requesting that more personnel are deployed at truck check-in posts. This is because workers say they have to deal with an increasing number of migrants in the check-in area at the port. The main approach road to the port has been closed by French authorities, and no freight is entering the port.

No port processors are available either, so trucks are not being checked. Hundreds of trucks are stuck at the port, the East Port is at full capacity, and there are queues stretching down the motorway in France. La Voix du Nord de Calais has reported that around 50 foreign truck drivers are planning to demonstrate near the port also. This is not the first time this year that services between France and the UK have been disrupted. Over the summer, traffic flow through Calais was disrupted for weeks. Along with the migrant problem in Calais, freight and passenger services have been affected by industrial action by the Syndicat Maritime Nord union. The union went on strike earlier in July in response to the transfer of vessels from MyFerryLink by Eurotunnel to DFDS following Eurotunnel's takeover of the former SeaFrance operation.

Source: ECG NEWSLETTER

MARITIME

CLECAT continues to call for Broad scope of Port Services Proposal

On 12 October the European Parliament Transport Committee discussed proposed amendments to the report by MEP Knut Fleckenstein on the Commission proposal for a Regulation on Market access to port services and financial transparency of ports. The discussion demonstrated a general consensus around Mr Fleckenstein's approach of moving the proposal away from opening of market access for port services to setting a framework for organisation of port services.

Mr Fleckenstein added that clear criteria for financial transparency should be at the heart of the regulation, and that port charges should not be set centrally by national authorities. He has tabled an amendment where any limitation of providers would follow an open, non-discriminatory and transparent procedure, which was welcomed by a number of political groups.

The draft report by Mr Fleckenstein and the initial signs of compromise amendments which he is discussing with other MEPs suggest that the Parliament will simplify the Commission's proposal, allowing ports to organise provision of port services based on their own local situation and market needs.

CLECAT continues to regret that the scope of the Regulation has been reduced drastically, having long argued for a legislative procedure that will improve the efficiency in EU ports through opening up access to services, including cargo handling among others. Restrictive practices in the organisation of port services continue to hamper access to services in several EU ports.

Nicolette van der Jagt, Director General of CLECAT said: "Whatever the outcome of the current legislative process, we commend the European Commission's intentions and acknowledge its efforts to make progress to increase the efficiency in ports. The EU institutions should still work to encourage fair competition and foster efficiency. The principles of free market access and transparency are not uniformly applied in all EU ports, and should be guaranteed. We will be following the discussions over the coming weeks and will draw the attention of policy makers to any additional restrictions which may be introduced, particularly under the guise of social protection. It is important that pragmatism, transparency and openness remain central to the development of this legislation."

The Transport Committee is scheduled to vote on the draft report and amendments on 10 November. CLECAT encourages MEPs to continue this work in developing workable, meaningful compromises, so that the regulation is a step in the right direction.

WSC CHAIRMAN: 'CONTAINER LINES MUST EXTEND ALLIANCES TO LANDSIDE OPERATIONS'

Extending collaboration to the landside is the next frontier for container shipping alliances, according to former NOL chief executive and current World Shipping Council chairman Ron Widdows.

Speaking at the JOC's TPM Asia conference in Shenzhen, Mr Widdows said the growth of alliances had created an environment of increased operational complexity which could no longer be solved individually, especially on the landside, where there was little collaboration between carriers.

Mr Widdows said carriers had exhausted what could be done in terms of cutting costs and were still struggling for profits despite benefiting from a reduction in fuel prices. Furthermore, none of these measures are benefiting shippers.

Citing research from consultant McKinsey, to which he had contributed, Mr Widdows explained that cooperation on the landside is one of the only options left for carriers to further reduce costs.

At present, alliances at sea come to an end once boxes are unloaded, with each carrier having its own terminal agreements, trucking contracts and dispatching arrangements. By extending alliances to the landside, carriers could continue to benefit from economies of scale.

Such structural change will not come easily, however, Mr Widdows said. It will likely be led by the top two global carriers, Maersk Line and MSC, whose continued drive towards cooperation and collaboration will force other lines to follow suit or be priced out of the market.

However, Mr Widdows argued, although individual carriers had closely guarded service propositions such as efficient intermodal connections or an extensive regional network, most of them were unwilling to include these kinds of services in any alliances, as they see these services as their "secret sauce".

For the full article: THE LOADSTAR, 15/10/2015

ITF CALLS FOR GLOBAL RULES FOR SHIP OPERATORS TO CUT EMISSIONS

The International Transport Forum called this week for global, enforceable regulations for the maritime industry to reduce carbon emissions by half over the next 35 years and entirely by 2080.
The ITF said the United Nations' International Maritime Organization should impose the standards across the maritime industry, from container shipping lines to tanker operators, and set up a series of requirements that would include a carbon tax.
In a policy brief, ITF Analyst Olaf Merk recommended the IMO, which regulates shipping emissions, submit regular reports on the industry's progress toward meeting the goals.

The call comes ahead the U.N.'s conference on climate change, known as COP 21, in December in Paris. The conference will bring together representatives from governments, nongovernmental organizations and U.N. agencies, with the goal of reaching a legally-binding agreement among nations to keep global warming below 2 degrees Celsius. "It would be odd if countries are expected to adhere to emission targets but not the shipping sector, especially since it would be impossible to apportion shipping emissions to countries," the ITF said in the policy brief.

The research and policy-coordination group said greenhouse gas emissions in shipping must be cut in half by 2050 and reach zero by 2080 to achieve the goals set out by the U.N. Framework on Climate Change. In 2012, the shipping industry contributed 800 million metric tons, or 2.2%, of world-wide carbon emissions, with the majority coming from container ships, bulk carriers and tankers, according to the ITF.

The ITF call contrasted sharply with comments by the chief of the IMO, Koji Sekimizu, who said in a speech in Singapore on Sept. 28 that the maritime agency alone should decide on emissions-reductions targets and outline how to achieve the reductions. Mr. Sekimizu has set an informal target of reducing emissions by 30% per ship by 2030.

Industry-wide rules would undermine the ability to shipping lines to meet demand for global trade, he said. A global cap "would artificially limit the ability of shipping to meet the demand created by the world economy, or would un-level the level playing field that the shipping industry needs for efficient operation, and therefore must be avoided," Mr. Sekimizu said.

"If such measures are enforced, it will seriously distort the shipping industry and have a serious impact on the economy of almost all nations," he said. The ITF said specific and enforceable targets are needed, however.

The group said the industry could take measures such as reducing ship speed, ensuring ships are fully used, designing more efficient ships and using alternative fuel sources to meet the targets. ITF also recommended setting a carbon tax of $25 per metric ton of carbon dioxide. "The reduction of shipping emissions would gain huge impetus if COP 21 would agree to an ambitious package for the shipping sector," the ITF said in the paper.

Source: The Wall Street Journal, 12/10/2015

MEPs' 2016 Climate Deadline for IMO Unrealistic, Shipowners Say

On 14 October the European Parliament adopted a RESOLUTION, which constitutes the mandate for the EP delegation to the Paris COP 21 meeting in December. MEPs call for all Parties to work through the International Maritime Organisation (IMO) to develop a global policy framework to enable an effective response, and to take measures to set adequate targets before the end of 2016 for achieving the necessary reductions in the light of the 2 °C target.

ECSA welcomed the Parliament's recognition of the importance of a global solution for international shipping and its vote of confidence in the IMO, but warded that the 2016 deadline adopted by MEPs is unrealistic, noting that a unilateral European push for a hard deadline may be counterproductive.

"The 2016 deadline is not consistent with the steps already taken at EU level" commented Benoit Loicq, ECSA Safety and Environment Director. "By pushing for an extremely tight deadline, the EU would essentially undermine the IMO procedure. If the EU would then focus on regional measures, it would be backtracking on its own policy."

Indeed the EU Monitoring, Reporting and Verification (MRV) Regulation is intended to be the first phase of a stepwise approach geared towards a global solution by allowing to determine the real contribution of shipping to global CO_2 emissions. "The course of action that has been agreed is to start with an accurate picture of the shipping industry's CO_2 emissions in 2018 (i.e. two years after the MEP-backed deadline). If we now backtrack and skip the data collection phase altogether, how would it be possible to set realistic and fair targets?" asked Benoit Loicq. "A global CO_2 monitoring and reporting instrument is already being developed in IMO and we believe it is essential to encourage alignment of the EU MRV Regulation with the IMO tool" he concluded.

Source: ECSA

AIR

Mixed picture on air cargo pricing

Average air freight prices have continued to fall, year on year, although there is a mixed picture in terms of month-on-month pricing, according to the latest analysis.

Amsterdam-based air cargo market data specialists WorldACD told *Lloyd's Loading List.com* that it had observed a consistent month-on-month (MoM) pattern of falling yields, measured in US dollars and including surcharges, a trend that it said mainly reflected falling fuel surcharge levels.

In its latest analysis, WorldACD reported that MoM yields fell again in August with a drop of 1.2% compared with average yields in July, whereas maritime and air freight Drewry reported an increase of 3.7%, MoM, on the 48 trades it covers, to $3.04 per kg, although it noted that this was still below the $3.34 per kg recorded in August last year. Drewry noted that rates had been on a downward trajectory this year until July, when they started to firm up.

WorldACD said the story of air cargo in 2015 threatens to become repetitive, with volumes stagnant and yields continuing to fall. It said August showed a year-over-year (YoY) volume increase of 0.9%. But it noted significant variations from region to region in both volume and pricing trends. Africa and Latin America, for example – the smaller regions in terms of air cargo – bucked the trend: Africa was clearly the 'region of the month', showing a volume increase in air exports of almost 10%, YoY, coupled with a MOM yield drop of only 0.2%. Latin America also made positive news for the first time in many months, at least in terms of prices. It saw MoM yields increase by 3.5% for outgoing traffic and by 1% for incoming traffic, although it was one of two regions recording a (small) negative volume growth YoY; the other region was North America, WorldACD said.

WorldACD noted that falling yields "ought to be good news for shippers and forwarders, yet they seem to take the view that – given the present low fuel cost – prices are not coming down fast enough". But it said airlines may well take a different view, given that "the worldwide US dollar-yield drop of 18% over the past year properly reflects lower fuel cost, since fuel cost had become one third of their total cost before the roughly 50% drop in oil prices in the past year", WorldACD noted.

Whatever the case, it said airlines must have welcomed the small MoM US dollar-yield increase in August in more than half of the inter-regional markets, namely: from Africa to Asia Pacific, Latin America and Europe; from Latin America to virtually all destination regions; from Europe to Africa and Latin America; from the Middle East & South Asia (MESA) to Asia Pacific; and from North America to all destinations except MESA and Africa.

Comparing the most recent 12 months period available, from September 2014 to August 2015, with figures for 2012, WorldACD noted that airlines from the MESA fared best, increasing their air cargo volume by 31% against a worldwide growth of 11%. Airlines from Asia Pacific grew by 10%, whilst European and North American carriers stayed behind the worldwide average, with growth of 5% and 0% respectively.

Meanwhile, IATA reported air freight markets stabilised in August after two months of decline. Measured in Freight Tonne Kilometres, air cargo volumes rose 0.2% compared to the same month a year ago. It said this was a modest improvement on July's performance, when freight demand contracted by 0.6%, year over year.

Source: Lloyd's Loading List, 12/10/2015

CUSTOMS

UCC Delegated Act, Implementing act and Transitional delegated act

The UCC Delegated Act continues its passage through the European Council and European Parliament and all indications are that it will enter into force pass without further delay. Full attention is now focussed on the discussions surrounding the draft Implementing Act and draft Transitional Delegated Act (TDA). A special meeting of the DG TAXUD Trade Contact Group is scheduled for 19 and 20 October 2015, where the most recent draft of the TDA will be examined in detail.

The UCC Regulation will only become applicable from 1 May 2016 provided the Delegated Act and Implementing Acts are fully adopted and applicable. As the Delegated Act looks likely to be adopted, the Commission is now looking to publish the Implementing Act and TDA before the end of 2015 to ensure all Acts are in place to meet the 1 May 2016 deadline.

DRAFT EU DIRECTIVE ON CUSTOMS INFRINGEMENTS AND SANCTIONS

The 13 October 2015 meeting of Internal Market Committee of the European Parliament heard a presentation of a study on the analysis and effects of the different Member States customs sanctioning systems. The full study should be published by November 2015, allowing the European Parliament to further examine the draft Directive which is still being discussed in the Council.

SUSTAINABLE LOGISTICS

GLEC EU CONSULTATION

CLECAT will participate in the consultation workshop on the 28th October in Brussels organised by GLEC. GLEC seeks to develop a harmonised method for logistics emissions accounting, a consultation workshop is to be held in Brussels on 28 October. Such workshops are being held in different global regions, with this event covering the EU.

The workshop is open for participation for CLECAT members as the GLEC team is particularly interested in having as wide a participation from industry as possible in the consultation process. The registration form is available HERE

More information is available on the GLEC WEBSITE.

GENERAL

EU COURT CONFIRMS RULES ON SPECIFICATIONS FOR INTELLIGENT INFORMATION SERVICES

The General Court of the EU has ruled that the Commission did not overstep its competences in regulating the roll-out of "intelligent information services", such as real-time warnings about dangerous road conditions ahead and information on safe and secure parking places for lorry drivers. The Czech Republic had asked for an annulment of the regulations, arguing that the Commission had gone beyond its mandate in adopting them under the Delegated Acts procedure. The Court recognised the on-going efforts of Member States, including the Czech Republic, towards the deployment of these intelligent services and helped to further clarify the interpretation of the regulations in question.

The Commission wants the information services to be interoperable across Europe and available to as many drivers as possible. The regulations do not make the roll-out of information services mandatory. However, if and when Member States, operators and service providers want to put in place such services, they have to comply with the regulations' requirements.

Source: DG MOVE, 12/10/2015

HORIZON 2020 WORK PROGRAMME 2016-2017 ADOPTED

On 13 October, the European Commission adopted the Horizon 2020 Work Programme for 2016 and 2017. The programme foresees up to 938 million € in EU funding for transport research and innovation, including calls on "Mobility for Growth" and "Automated Road Transport".

The aim is to drive progress towards a European transport system that is competitive, climate- and environmentally-friendly, safe and seamless for the benefits of the passengers, businesses and society as a whole.

Actions will contribute to creating growth and jobs in the EU as well as to achieving the Energy Union and the Digital Single Market. Specific topics include the development, testing and preparation of roll-out of smarter and greener urban mobility solutions, more efficient and greener logistics, new mobility services, large scale demonstrations of connected driving and the development of resilient and safer transport infrastructure fit for the transition to road automation.

The programme on “Smart, Green and Integrated Transport” may be found HERE.

Source: DG MOVE, 13/10/2015

FORTHCOMING EVENTS

CLECAT MEETINGS:

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

ELP dinner debate: Successful supply chain solutions: from co-modal to synchro-modal transport.”
- 19 October 2015, European Parliament

EC Conference on Boosting Investments in Transport
- 22 October 2015, Brussels

Roundtable Green Freight Europe/L&G
- 27 October 2015, Brussels

GLEC Consultation meeting
- 28 October 2015, Brussels

2nd Plenary of the DTLF
- 29 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

- 9 November 2015, (afternoon), Brussels
- 10 November 2015, (morning and afternoon), Brussels

European Council

Transport Council

- 10-11/12 December