

Newsletter Issue 42 / 23 November 2015

NEWS FROM BRUSSELS

2015 FREIGHT FORWARDERS FORUM: MOVING THE SUPPLY CHAIN FORWARD

Organised at the Port of Antwerp, CLECAT, the European Association for forwarding, transport, logistics and customs services, held its 15th annual event on 19 November. Under the theme '**Driving the Maritime Supply Chain Forward**', a range of questions were debated, covering strategic and operational challenges for the evolving maritime supply chain.

The first part of the event, debating the challenges of bigger ships for logistics, reviewed how to mitigate the supply chain risk of port congestion and distribution, as well as how to enhance supply chain performance. Commenting on these discussions, **Nicolette van der Jagt, Director General of CLECAT**, noted: *"It is clear that the maritime supply chain is in a constant state of evolution, creating opportunities and challenges for freight forwarders. The development of bigger ships has a knock-on effect on the logistics chain, which requires innovation and collaboration in order to maintain and increase the efficiency of the supply chain. An effective supply chain cannot have its actors thinking in silos. By working together with other supply chain parties to innovate and create new services, freight forwarders will remain a vital part of the maritime logistics environment."*

Désirée Oen, Deputy Head of Cabinet of EU Transport Commissioner Violeta Bulc, hailed the benefits of the European Commission having partnerships with all parties in the supply chain, as the health of the economy depends on logistics. Addressing the challenges for the supply chain in absorbing bigger ships, Ms Oen said that *"Digitalisation is the key to improving efficiency. It gives and opportunity for improving traffic management, cargo management and also administrative simplification. Meanwhile, innovation is crucial for jobs and growth. A wave of innovation in transport lies ahead, with digital logistics, synchro-modality, and even automation for efficient and sustainable logistics."*

Jens Poggensee, President Freight Forwarding Europe at UPS, gave the freight forwarder's perspective in a key note address, saying that *"Given that a transactional focus will rarely lead to improving efficiencies and wins for the market, opportunities will continue to open up for the forwarder that can innovate and create unique value. Freight forwarders becoming more attractive to shippers as the transportation industry becomes increasingly complex due to thinks like port congestion, rate volatility, civil unrest, etc. The forwarder of the future will be the glue of the supply chain, managing the supply chain better and ensuring end-to-end visibility for their customers and suppliers"*

Lamia Kerdjoudj-Belkaid, Director General of FEPORT, said that *"Bigger ships create a domino effect from the sea-side to the whole supply chain. Terminal operators are working to meet customer expectations by adapting and investing, but if each actor works in a silo, they will create a prisoner's"*

dilemma. The best solution is cooperation between the land-side and the sea-side to avoid worsening supply chain blockages and inefficiencies.”

The second panel on “Creating a smooth Maritime Supply Chain through Innovation” discussed the opportunities created by Big Data, the physical internet, collaboration and co-innovation, and the accompanying challenges of ensuring cyber-security and data protection. **Lennart Heip, ITO/MPC/Air Mode Leader Europe at Dow Logistics**, reviewed the great advantages of digitalisation for the whole supply chain, saying that *“all information should be exchanged digitally, which is made easier by the fact that most already exists digitally. Getting rid of paperwork will greatly increase supply chain efficiency, and if government parties can be convinced that they can accept digital data, the whole supply chain will be more secure.”*

A third panel discussed the implementation of the new IMO regulations requiring verification of a container’s gross mass. The regulations raise questions about the exact role and liability of a freight forwarder within the chain, as well as highlighting the need for an internationally harmonised implementation of the regulations. **Jens Roemer, Regional Managing Director Belgium, France & Switzerland of a. hartrodt**, addressed the question of a forwarder’s liability when acting as carrier, saying that *“The IMO urges stakeholders to come to practical agreements between themselves. A forwarder acting as carrier should therefore be allowed to use their own declaration of verified weight based on the calculation method, using the weight provided by their shippers. This will avoid the additional handling, extra costs, extra risks, and further congestion which would be caused by all containers being physically weighed.”*

Other speakers included **Stijn Rubens**, Senior Consultant at Drewry, **Olaf Merk**, Administrator Ports and Shipping at the International Transport Forum, **Tom Verbeke**, General Manager of “K” Line (Europe), **Ronald Plevier**, Sales Director for Benelux, Germany and Central Europe at INTTRA, **Dr Christa Sys**, Holder of the BNP Paribas Fortis Chair - Transport, Logistics and Ports, **Peregrine Storrs-Fox**, Risk Management Director of the TT Club, **Robin van Leijen**, Policy Advisor at FENEX and **Lars Kjaer**, Senior Vice President of the World Shipping Council.

STEVE PARKER ELECTED CLECAT PRESIDENT



CLECAT’s General Assembly, meeting last Friday in Antwerp, unanimously elected **Steve Parker** as its new President.

Steve has worked in the logistics industry for 4 decades, during which time he has worked for Pandair / AEI and Danzas and held many positions. Today, Steve is responsible for Customs and Brokerage at DHL Global Forwarding. He is the current Chairman of the CLECAT CITI, of which he has been a member since 9 years and

BIFA Director. The General Assembly thanked Mr Marc Huybrechts for serving CLECAT as President over the last 4 years.

CUSTOMS

UCC DELEGATED ACT, IMPLEMENTING ACT AND TRANSITIONAL DELEGATED ACT

Following the meeting of the Trade Contact Group and Customs Code Expert Group on 11 and 12 November 2015, CLECAT, together with a number of members of the TCG stressed that the datasets required for the ENS should not change from the existing provisions until such time that the relevant

IT systems are in place and implemented on an EU wide basis. A proposed amendment to the draft TDA was submitted and signed by a number of TCG members including CLECAT, where it was proposed that the new requirements in this area shall not apply until the respective dates of deployment of the relevant IT systems. DG TAXUD has accepted this change in the latest draft of the TDA.

The Interservice Consultation on the draft TDA within the Commission services has been just been launched. The Commission hopes to have the proposal adopted and sent to the European Parliament and Council by late December 2015.

Following a vote by the Member States on the adoption of the Implementing Act, the Commission still appears to be on course to publish the Implementing Act, together with the Delegated Act by the end of December 2015.

DRAFT EU DIRECTIVE ON CUSTOMS INFRINGEMENTS AND SANCTIONS

The EU Commission held a Conference on customs infringements and sanctions on November 16th 2015 in Brussels, with representatives from the EU Member States, the European Parliament, Commission services and the business community in attendance. The purpose of the conference was to discuss the need to act in the field of customs sanctions and infringements as well as various aspects of the Directive laying down a Union legal framework on customs infringements and sanctions currently before the Council and EP and to consider what is the way forward for the Commission and EU Presidency on this matter.

IMCO Rapporteur Mrs Kallas MEP gave a keynote speech in which she outlined the timetable and approach of the Parliament to the issue. A study commissioned by the Parliament will be published shortly and in early 2016 IMCO will begin further work on the file.

OLAF presented their work on the Directive on the fight against fraud to the Unions financial interests (PIF Directive) and its synergies with the draft sanctions proposal.

CLECAT was invited to present the views of economic operators to the conference. In broadly welcoming the interest and need to address the issue, serious reservations were highlighted in the current draft proposal. These reservations included the issue of strict liability, the issue of proportionality, the need to focus on administrative and non-criminal sanctions and also the challenges faced in looking to address significantly different legal systems in the EU.

These reservations very much reflected the views of a large number of Member States and other members of the business community including legal practitioners. The Commission took note of the views expressed at the Conference and indicated that a follow up meeting is foreseen.

UPDATED FACTS AND FIGURES ON THE EU CUSTOMS UNION

DG TAXUD has recently published updated statistics with regard to the role and functioning of customs in the EU. The figures include the value of trade, and the number of customs declarations including details on electronic declarations. The report can be accessed [HERE](#).

GENERAL

S&Ds REGRET THAT EPP AND LIBERALS VOTE AGAINST MOBILE WORKERS' RIGHTS AND SAFETY

Last week, S&D issued a press release following mobile transport sector deserve their rights and safety guaranteed just like any other worker. The Socialists and Democrats in the transport committee of the European Parliament last week voted in favour of a resolution asking the European Commission and EU member states to take measures to ensure full monitoring and compliance with existing social legislation for those workers. However, the vote was lost 22 to 24, with the EPP Group, the Liberals and ECR opposing the resolution.

Following the vote on the resolution on a Transport Social Package to improve employment conditions and transport safety, S&D spokesperson on transport Ismail Ertug MEP said: "If we want a future for the European mobile transport sector, one that can offer new attractive jobs to the younger generations, we must guarantee full respect of social rights. It is not only fair for workers but also better for safety in all means of transport. Moreover, ensuring mobile workers' rights and safety is essential to create a level-playing field for the European transport and logistics sector and to guarantee the sector remains globally competitive. Competitiveness can only be maintained if we have a robust, forward looking and motivated workforce. We must avoid at all costs a race to the bottom with an industry just based on low-quality labour and products. "Despite today's defeat in our efforts to end the neo-liberal approach to transport, we will keep pushing for better laws and proper enforcement. Member states should clearly designate authorities responsible for inspection and enforcement in all transport modes, and the Commission should harmonise effective sanctions and fines. The future of this sector is at stake."

Source: [Socialists and Democrats Group](#), 10/11/2015

TOWARDS A DIGITAL SINGLE MARKET ACT

On the 10th of November, the TRAN Committee of the European Parliament adopted the opinion 'Towards a Digital Single Market Act' of Rapporteur Merja Kyllönen (GUE/NGL; FI).

The opinion welcomes the Commission's Communication "A Digital Single Market Strategy for Europe". Members emphasised that the implementation of digitalisation and the enhanced deployment of interoperable Intelligent Transport Systems are key tools to improve the European transport system's efficiency and productivity. They called for an assessment of how the EU's regulatory framework was adapted to the new digital age.

Members noted that the digitalisation of the transport and tourism sectors provides Europe with new business opportunities and jobs and plays a central role in transforming European cities into smart cities. Thus, in-service training programmes for workers are essential to keep pace with technology.

They acknowledged that digitalisation may lead to structural changes and emphasised the need to embrace new business models, digital platforms and services based on digitalisation and the sharing economy.

The opinion asks the Commission to harmonise the regulatory framework to encourage innovation and services for mobility and logistics, including those based on the sharing economy, and calls for geo-blocking of transport-linked services to be prevented.

Timetable foreseen

Vote in ITRE and IMCO: 14 December 2015

Vote in plenary: January 2016

Source: TRAN Newsletter, 10/11/2015

EU COUNCIL MEETING ON COUNTER-TERRORISM

At the special Council meeting which took place on Friday last week, following the heinous terrorist attacks which took place in Paris on the 13th November, the Council underlines the importance of accelerating the implementation of all areas covered by the statement on counter-terrorism issued by the Members of the European Council on 12 February 2015.

European justice Ministers agreed to step up border controls for European citizens entering the EU and steps up intelligence sharing. EU Member States will call for systematic controls of EU citizens at its external borders and for full use of available technology to counter terrorism inside the Schengen area. For the time being, they are subjected only to 'a minimum check' consisting of a rapid and straightforward verification, according to the [SCHENGEN BORDERS CODE](#).

Frontex will also contribute to the fight against terrorism and support the coordinated implementation of the Common Risk Indicators (CRIs) before the end of 2015. The agency will be asked to assist the Member States to tighten controls of external borders to detect suspicious travels of foreign terrorist fighters and smuggling of firearms, in cooperation with Europol.

The Council Conclusions are available [HERE](#).

SUSTAINABLE LOGISTICS

G20 LEADERS' TRUCK CO2 COMMITMENT UNDERSCORES NEED FOR TARGETS WORLDWIDE

The G20 leaders' commitment to improve efficiency and lower CO2 emissions of heavy-duty vehicles signals the need for fuel economy standards worldwide, say sustainable transport groups Transport & Environment and Smart Freight Centre. CO2 emissions are directly related to the fuel economy of internal-combustion vehicles, with more fuel-efficient vehicles emitting less greenhouse gas. In the US – where truck fuel efficiency will overtake Europe's in the early 2020s – fuel economy standards have been shown to be an effective policy measure to curb emissions from new heavy-duty vehicles.

But despite the global nature of freight movement and truck manufacturing, only four G20 members – Canada, China, Japan and the US – have such standards in place. India and Mexico are currently preparing fuel efficiency regulations for new trucks. Truck emissions in Europe have risen sharply in recent decades – 36% between 1990 and 2010, despite the 2008 economic crisis – due to their high mileage and huge fuel consumption.

Despite fuel accounting for a significant share of truck operating costs – up to 30% – European truck fuel efficiency has been mostly stable over the last two decades. European truck manufacturers produce about 40% of the world's trucks. William Todts, transport programme manager at Transport & Environment, said: "The leaders of the world's wealthiest countries, including France, Germany, Italy and the UK, see the urgent need to curb trucks' emissions. It now falls on the EU to finally start working on ambitious fuel efficiency standards for heavy-duty vehicles just like they are doing in the US right now."

Sophie Punte, Executive Director at Smart Freight Centre, said: “Fuel economy standards are just the start. Governments must also support green freight programs that bring industry together to take practical actions and achieve double-digit emission reductions. The first green freight program was SmartWay in the US, launched in 2004, and there are 13 countries with green freight programs today.”

Source: [Transport & Environment](#), 18/11/2015

FORTHCOMING EVENTS

CLECAT MEETINGS:

Road Logistics Institute

- 2 March 2016, Brussels (tbc)

Sustainable Logistics Institute

- 2 March 2016, Brussels

Air Logistics Institute

- 3 March 2016, Brussels

Supply Chain Security Institute

- 3 March 2016, Brussels

Customs and Indirect Taxation Institute

- 4 March 2015, Brussels

OTHER EVENTS with CLECAT PARTICIPATION

FEPORT Conference

- 3 December 2015, Brussels

ACEA Conference

- 3 December 2015, Brussels

DTLF sub-group meetings

- 24 November in Brussels

EU Commission Rail Freight Day 2015 Conference

- 4 December, Vienna

ECR Conference, ‘The Role of Road Transport in the Economic Development of the EU’

- 8 December, Brussels

DTLF Plenary meeting

- 16 March & 20 September 2016

EU meetings

European Parliament

Transport Committee

- 3 December 2015, (morning and afternoon), Brussels
Agenda available [HERE](#)
- 21 December 2015, (afternoon), Brussels
- 22 December 2015, (morning and afternoon), Brussels

European Council

Transport Council

- 10-11/12 December