european voice of freight logistics and customs services •

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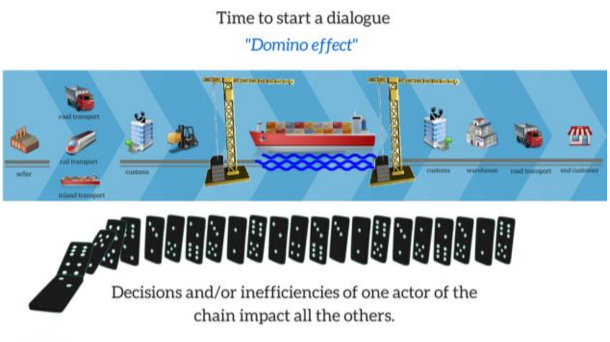
NEWS FROM BRUSSELS

COMMISSIONER BULC TO PRESENT UPCOMING AVIATON PACKAGE ON MONDAY 7/12

The Committee on Transport and Tourism has invited Transport Commissioner Violeta Bulc to present the Commission's upcoming aviation package in the extraordinary Committee meeting on 07.12.15 from 16.00-17.30. The aviation package will seek to identify the challenges facing the EU's aviation sector and measures that can improve its competitiveness. The Commissioner's presentation will be followed by a discussion with Members. The presentation and the discussion can be followed as the meeting will be WEB-STREAMED.

FEPORT CONFERENCE: WHY DOES AN EFFICIENT LOGISTICS CHAIN REQUIRE CLOSE DIALOGUE?



CLECAT participated yesterday at the Stakeholders' conference hosted by FEPORT 'Why does an efficient logistics chain require close dialogue?'

Terminal operators, like other actors of the chain, are facing challenges resulting from the increase in size of ships. They are since many years massively investing in equipment and adapting to accommodate their clients' needs. Gunther Bonz, President of FEPORT noted that terminal operators are ready to continue to do it as long as they can recoup their investments. This is unfortunately becoming more and more difficult due to the rapid obsolescence of the equipment used to accommodate ships which are getting bigger and bigger.

He noted that there is general agreement among FEPORT members that it has become urgent for all institutional and non-institutional stakeholders to acknowledge the ever increasingly cascading effects resulting from the increasing size of ships on the whole logistics chain. Those effects and the subsequent costs to adapt and build infrastructure and superstructure, to reorganize the work force and the logistics chain, to mitigate the environmental effects of all necessary operations are becoming a source of concern in a context of low growth. Dialogue between the landside and the sea side must therefore start now because it constitutes one relevant option to handle operational challenges along the chain thus avoiding unnecessary further regulation.

CLECAT's Director General Nicolette van der Jagt, welcomed the initiative to start, or rather to continue the dialogue, with all actors of the supply and logistics chain as well as with all EU institutional stakeholders to further raise awareness about the challenges the logistics chain is facing. She also gave a freight forwarder's perspective on the impact of the bigger ships. She noted that with the peaks in the terminals, created by over-utilised infrastructure (followed by a period of underutilised infrastructure) the supply chain is becoming more vulnerable and unpredictable. The increased complexity in the supply chain creates an opportunity for forwarders to better manage the supply chains of shippers, who are more inclined to outsource their logistics. For freight forwarders terminals form an important part of the supply chain. The performance of a container terminal has a large impact on the processes and planning of freight forwarders. By streamlining processes, sharing information and setting KPIs, freight forwarders and terminals can increase the efficiency of the supply chain. She noted that there are already some good examples where terminal operators see the freight forwarders as 'customers' even though there is no direct commercial relationships. She referred to the MoU between APM Terminals Maasvlakte 2 and FENEX signed last year, which includes agreements regarding slot management, KPIs regarding Turn Around Times at the terminal and streamlined procedures for the landside handling of the modalities barge, train and truck.

NEXT ELP LUNCH DEBATE: DIGITALIZING TRANSPORT DOCUMENTS- 8 DECEMBER

European Logistics Platform

The ELP is organizing on Tuesday 8th December a lunch debate hosted by MEP Gesine Meissner on **"Digitalizing transports documents: Moving to a paperless supply chain."**

The European Commission's established the 'Digital Transport and Logistics Forum' (DTLF) which is well under way to assist the European Commission in implementing activities and initiatives aimed at fostering a more efficient exchange of information in transport and logistics. The ELP lunch event will debate concrete aspects with regard to the implementation of E-transport documents, in various modes of transport. Why have so many Member States not yet ratified the eCMR and what are railways doing to promote digital transport documents?

Speakers include **Michael Bünning**, Managing Director of BLG Automobile Logistics, **Libor Lochman**, Executive Director of CER and **Astrid Schlewing**, Head of Sector, Maritime Transport and Logistics in DG MOVE of the European Commission.

ROAD

ECR CONFERENCE: THE ROLE OF ROAD TRANSPORT IN THE ECONOMIC DEVELOPMENT OF THE EU

CLECAT has been invited to speak at a conference organised by MEP Kosma Złotowski MEP (ECR) on 'the role of road transport in the economic development of the European Union' on the 8th December at the European Parliament in Brussels. The conference debates the importance of road freight for economic growth and employment in the t in the Member States and the expectations of the 2016 Road initiative of the European Commission.

Confirmed speakers include: **Henrik Hololei** (Director General - DG Mobility and Transport), **Petr Dolejsi** (Mobility & Sustainable Transport Director - European Automobile Manufacturers' Association – ACEA);

Professor Zdzisław Kordel (University of Gdansk); **Jan Nemec** (Deputy General Delegate, Head - Social Affairs, EU Road Safety & Infrastructure); **Eddy Liégeois** (Head of Unit - Land Transport Policy, DG Mobility and Transport); **Michael Cramer MEP**, **Guy Staus** (Head of the Directorate for Road Transport – Luxembourg Ministry for Sustainable Development and Infrastructure); **Professor Jan Barcz** (Kozminski University, Warsaw) and **Nicolette van der Jagt** (DG, CLECAT)

BENELUX 'UMBRELLA AGREEMENT' ON BORDER CROSSING EMS COMBINATIONS

The Benelux has reached an umbrella agreement on border crossing operations as of 2017 with EMS combinations (longer vehicles). A precondition for entering into force is that Flanders extends its pilot. In the Netherland more than 1000 EMS combinations are operational.

IMPOUNDING OF GOODS VEHICLES FOUND TO BE COMMITTING ILLEGAL CABOTAGE IN THE UK

CLECAT has recently heard that the UK road authorities intend to impound the vehicles of operators who continue to breach EC Regulations 1072/2009 and 106/1992. Should a vehicle be impounded, a notification will be sent to the operator and the registered owner of the goods vehicle concerned.
From the UK perspective the policy remains the same i.e HGV's are allowed 3 cabotage movements within the 7 day period. What seems to have changed is that there has been a tightening of the penalties.

The Driver Vehicle Standards Agency (DVSA) enforces cabotage and combined transport strictly because overstaying and working beyond 7 days leads according to the DVSA to the creation of what is referred to as "fake establishment". The impounding will be publicized in the London Gazette, which is available online. From the receipt of the notification of impounding, the operator will have 21 days to appeal to the Traffic Commissioner for the area where the impounding took place. Should such a vehicle be being used on a finance agreement, with a lease agreement or on hire, i.e. it is not owned by the operator, then, the operating company will have no right of appeal against the impounding.

RAIL

RAIL BALTIC PROJECT SIGNS THREE CEF GRANT AGREEMENTS

On the 24th November, one of the top priority projects to bridge the missing links in the TEN-T, the Rail Baltic, made a decisive step forward in its implementation. In Tallinn, representatives of INEA and DG MOVE handed over the signed Grant Agreements for three actions selected under the first CEF call of 2014 to the beneficiaries - the Joint Venture RB Rail AS, the Ministry of Transport of Lithuania and the Polish Rail infrastructure manager PKP PLK.

734 million Euros of EU co-funding will support the design, upgrade and building of several sections of the Rail Baltic/Rail Baltica line, which upon completion will link the Baltic States to Poland and thus improve connections in the internal market for businesses and citizens alike.

Source: European Commission News, 24/11/2015

AIR

CARGO CONTINUES TO FLAT-LINE

The International Air Transport Association (IATA) released data for global air freight markets showing that air cargo volumes measured by freight tonne kilometers rose just 0.5% in October compared to a year ago. Year-over-year expansion fell back from September's faster growth rate, and total cargo volumes in October stand 1.1% lower than the peak of the uptrend at the end of 2014.

European carriers have driven recent improvements in air cargo growth, but they ran out of steam in October with a rise of just 0.2%. Other regions also underlined the weak October trend. The most significant decline in cargo activity was experienced by North American carriers, who reported a 2.4% fall in volumes. Latin America (-8.1%) and Africa (-1.1%) are smaller markets and also declined. Asia-Pacific was up, little more than Europe with a rise of 0.3%. Growth in the Middle East, although a robust 8.3%, was some 4.3 percentage points down on the average performance for the year to date.

"The outlook for air cargo continues to be very difficult. While there was some optimism from third quarter growth it has all but disappeared as the industry basically flat-lined. Cargo capacity has grown largely in lock-step with the continued robust demand for passenger travel. As a result, freight load factors have sunk to the 44% range—a level not seen since 2009. Early signs of improvement in export orders may bode well for trade and air cargo but this is unlikely to prevent air cargo finishing 2015 on a low note," said Tony Tyler, IATA's Director General and CEO.

Source: IATA Press Release, 2/12/2015

CARGO 2000 SET TO BE RE-NAMED AS FRESH TEAM PLOTS NEW COURSE

Cargo2000, the now-misnamed organisation which focuses on raising standards and creating efficiencies in air freight, is to be renamed at IATA's World Cargo Symposium in March 2016. Air Cargo News has interviewed new executive director Ariaen Zimmerman, who explains the priorities the organisation now has. A new technical director will be appointed next year, while the team has also expanded in Geneva. It is looking to attract SMEs, trailing a system of time stamps for shipments, and trying to improve information for shippers. Some 15 years after its name became out of date, there is progress at last. The full interview may be found HERE.

Source: THE LOADSTAR, 30/11/2015

MARITIME

E-VGMS PROPOSED AS SOLUTION TO CONTAINER WEIGHT VERIFICATION LAWS

The imminent enforcement of mandatory container weight verification is causing widespread fear of disruption among shippers and freight forwarders, according to a new customer survey by INTTRA, the ocean shipping e-marketplace.

The 410 respondents overwhelmingly expressed concern about the readiness of the ocean shipping industry for the implementation of Safety of Life at Sea (SOLAS) verified gross mass (VGM) regulations, with two-thirds saying they expect moderate or major industry disruption.

Just 30% of respondents expected their company and/or their customers to be compliant when the regulations are implemented on July 1 2016; 48% said they “have their doubts”; while 10% said they would not be ready at all. Respondents foresee the most disruption in the Asia-Pacific region (42%) followed by Africa (22%).

INTTRA, whose e-shipping platform accounts for approximately one in four global container bookings, has launched a new initiative to coordinate industry-wide collaboration on SOLAS compliance via electronic VGM submission.

One of the key problems with the forthcoming legislation – which was identified at a recent seminar in London organised by the British International Freight Association (BIFA) – is how shippers and forwarders are to submit VGM documentation to carriers.

However, the INTTRA eVGM initiative may address that, as it seeks to foster agreement on a technology standard for digital documentation of VGM submissions, as well as standardising the new business processes required for compliance. This includes the timeline for VGM submissions to shipping lines, a factor many see as being crucial to minimising any potential supply chain disruptions.

The INTTRA initiative aims to facilitate collaboration via an online forum. Over 100 members are registered in the discussion group so far, including APL, BDP International, CEVA, Damco, Hapag Lloyd, Hamburg Sud, Kuehne + Nagel and other INTTRA carriers. Participants in the initiative do not have be INTTRA customers or work with any specific vendor to execute their compliance operations.

Discussing the survey results and eVGM initiative with *The Loadstar,* Inna Kuznetsova, president of INTTRA Marketplace, said key to minimising container supply chain disruption would be ensuring carriers received the VGM prior to creating and submitting their stowage plans, normally between 12 and 24 hours before a port call.

However, forwarders do not normally know the type of container they will receive – and, hence, its weight – from the shipper prior to making a booking with a carrier. Nor would the container be packed at that point. Shippers currently provide the cargo weight with the shipping instructions, but this doesn’t include the container tare weight required to create the VGM.

“The stowage plan often happens way before the full set of shipping instructions is received. So providing the VGM information after the shipping instructions is too late for most of the carriers,” explained Ms Kuznetsova. “So there is a need for a message in between – after the booking is made but before the shipping instructions are received, stating the VGM.”

Otto Schacht, Kuehne + Nagel's global director of seafreight, fully supports INTTRA's efforts. For this system to work efficiently and reliably, shippers, freight intermediaries and ocean carriers must work on practical compliant solutions, he said. Said BDP vice president John Clark: "An e-commerce solution is necessary to minimise the impact of the reporting requirements which otherwise would result in a slow and costly process. The efficiencies and effectiveness of electronic integration solutions have been proven time and again, and must be applied to eliminate dependency on an outdated document-based process," he said.

Maersk's Damco, one of the world's big 3PLs, said it was actively collaborating with INTTRA "to ensure introduction of one global data format that meets all legal requirements while at the same time minimising the impact to our customers' supply chains".

INTTRA hopes to use the eVGM initiative to standardise the format of this message and how its accuracy should be verified. It is working with non-profit organisation SMDG to ensure all carriers agree on the data format and the set of fields required.

Source: THE LOADSTAR, Hong Kong Shipping Gazette, 3/12/2015

ESC FORUM ON CONTAINER TRANSPORT

At the ESC's Forum on Container Transport on 1 December in Antwerp, which CLECAT attended, Lennart Heip of Dow Logistics outlined the company's plans for implementing the SOLAS amendment. Dow's implementation plan follows five steps: validation of the SOLAS requirements; development of an IT solution, so that the Enterprise Resource Planning system defines product weights to which the container tare weight can be added; integration of local requirements from authorities and carriers; building of an operating discipline; and preparation for the system to go live. Under a commercial agreement, Dow will send an EDI message or signed paper shipping instructions to their forwarder who will relay this information back-to-back to the carrier on Dow's behalf.

SHIPPERS CALL FOR URGENT ACTION ON MARITIME CO2 EMISSIONS

As the COP21 climate-change talks get underway in Paris, the Global Shippers' Forum (GSF) has called on the shipping industry to reach agreement on a market-based measure for carbon reduction or risk having rules enforced.

The GSF has RELEASED A STATEMENT OUTLINING ITS VIEW on how the maritime sector should address the issue. It is "keen to avoid a patchwork approach of national CO2 targets, which would be complex to manage" and wants the shipping industry to be proactive in agreeing voluntary measures. The EU is already proceeding with its own Monitoring, Verification and Reporting system in absence of an IMO agreement, the GSF noted.

"Shippers are under increasing pressure to respond to the climate change challenge - they must understand, monitor and report their supply chain carbon footprint in order to meet their reporting and regulatory obligations, the GSF added. "However, they are dependent on the shipping industry to provide accurate data on emissions and the GSF believes urgent action is now needed to agree targets."

GSF believes the shipping industry needs to set its own "challenging but achievable" voluntary CO2 reduction targets for the maritime sector, or risk targets being imposed. Progress is currently being made with the development of a global data collection system, but the GSF is calling on the IMO to accelerate progress on MBMs, which have been debated for the last few years without reaching a consensus.

GSF members support MBMs that incorporate the following principles: Transparent measurement and recording of fuel usage and activity data; improvements in operational efficiency; and transparency of CO2 emissions and interventions.

"The Ship Efficiency Credit Trading with Efficiency Standards (SECT) proposal, which GSF favours, would incentivise operational and technical measures to reduce CO2 emissions," the GSF added. "GSF opposes a global bunker fuel levy approach, which risks passing costs on to shippers and distorting trade without reducing maritime CO2 emissions. Such an approach has been rejected by the equivalent global body for aviation (ICAO) for the same reason."

SINGAPORE EXEMPTS CONTAINER CARRIERS FROM COMPETITION LAW

Authorities in Singapore have extended an exemption for container carriers by another five years, so that the carriers, on certain conditions, will not have to comply with regular competition laws. The Block Exemption for Liner Shipping Agreements Order, or BEO, exempts container carriers and operators from prohibitions against anti-competitive agreements in Singapore, allowing two or more carrier operators to jointly provide services in the areas of technical, operational or commercial arrangements and setting freight rates. The BEO, first issued in July 2006, was extended for five years in 2010 and is due to expire on 31 December 2015. Singapore's ministry for trade and industry has granted a further five-year extension to 31 December 2020.

"The Competition Commission of Singapore (CCS) notes that transhipment makes up a very large proportion of Singapore container volumes, and has assessed that the high degree of connectivity and availability of liner shipping services in Singapore benefits Singapore's importers and exporters beyond what might ordinarily be expected if the port depended only on exports and imports," the ministry stated. "It is internationally recognised that liner shipping agreements, which facilitate the sharing of vessels among liners, enable more frequent services and cost savings for liners. They may also enable a group of smaller liners to provide services that compete with larger liners. Antitrust exemptions for liner service agreements generally remain the regulatory norm worldwide," it added.

Source: ShippingWatch, 27/11/2015

CUSTOMS

UNION CUSTOMS CODE IMPLEMENTING ACT

On 24 November 2015, the Union Customs Code's Implementing Act was adopted by the Commission after a vote in the Customs Code Committee. It will be published in the EU Official Journal in late December 2015**.** Article 291 of the Treaty on the Functioning of the European Union confers on the Commission implementing powers to specify the procedural rules for some of its elements. The corollary of this, in the interest of clarity, precision and predictability, is that the Implementing Act intends to ensure the existence of uniform conditions for the implementation of the UCC and a harmonised application of procedures by all Member States.

EU COMMISSION EXPORT CONTROL FORUM

CLECAT will participate at the European Commission's Export Control Forum in Brussels on the 7th December. The Forum will bringing together export control officials from EU institutions and Member States with selected experts from industry and representatives of civil society and academia, with a view to discussing the conclusions of the public consultation on the review of EU export control policy, the finalisation of the impact assessment and the preparation of revised regulations. Details of the consultation process and the report from the Commission are available HERE

SUSTAINABLE LOGISTICS

EU TRUCKS' FUEL EFFICIENCY NO BETTER THAN A DECADE AGO

Trucks in the European Union are no more fuel efficient than they were more than a decade ago. The study by the International Council on Clean Transportation found that the fuel efficiency of heavy duty vehicles, which are responsible for one third of CO2 emissions in the EU but only a small fraction of vehicles on the road, had remained unchanged since the early 2000s.

The report comes as EU antitrust regulators are investigating some of Europe's biggest truck manufacturers for price fixing and co-ordinating the introduction of new emissions technologies, according to a copy of the statement of objections seen by Reuters. The truck manufacturers accused of operating a cartel — Daimler, Volvo, Iveco, Volkswagen-controlled Scania, MAN and DAF — could face fines of up to 10% of their annual revenue if found guilty.

The study by the ICCT, the same group that uncovered German carmaker Volkswagen's manipulation of diesel nitrogen oxide emission tests, found that the share of CO2 emissions from trucks was growing in the EU. In contrast, the United States in June proposed tighter standards on truck emissions which the researchers estimated could lead to a 33% reduction of fuel consumption rates from 2010 levels. In addition, sales trends showed that more heavier and larger vehicles were being sold in the EU, similar to those on the US market. The study goes on to recommend setting fuel efficiency standards or CO2 limits for heavy duty vehicles to bring down emissions.

The EU has introduced a limit of 95g CO2/km by 2021 for cars and vans but has so far not done the same for trucks, although several countries have called for it.
The ICCT study can be accessed HERE.

Source: EurActiv, 3/12/2015

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

EU Commission Rail Freight Day 2015 Conference

- 4 December, Vienna

ELP Lunch debate on digitalisation of documents

- 8 December, Brussel

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

- 8 December, Brussels

CORE meetings

- 11 December, Leiden

DTLF Plenary meeting

- 16 March & 20 September 2016

EU meetings

European Parliament

Transport Committee

- 7 December 2015, (afternoon), Brussels
  Agenda available HERE
- 21 December 2015, (afternoon), Brussels
- 22 December 2015, (morning and afternoon), Brussels
- 25 January 2016, Brussels
- 15-16 February 2016, Brussels

Plenary Session

- 2 December 2015, Brussels
- 14-17 December 2015, Strasbourg

European Council

Transport, Telecommunications and Energy Council

- 10-11 December 2015, Brussels
- 3 March 2016, Brussels
- 15 March 2016, Brussels