CLECAT
european association for forwarding, transport, logistics and customs services

NEWSLETTER

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News from Brussels

CLECAT INSTITUTES MEET IN BERLIN

CLECAT's Road, Sustainable Logistics, Supply Chain Security and Air Institutes met in Berlin on 20-21 October, at the kind invitation of DSLV.

Discussions in the Road Institute focused on the European Commission's forthcoming road initiatives, including issues relating to market access, social legislation and decarbonisation, as well as combined transport and development of the eCMR.

The Sustainable Logistics Institute elected a new Chair, Mårten Sjölin, Environmental Director of PostNord Sweden. The Institute enjoyed lively discussion on the European Commission's Low-Carbon Mobility Strategy, decarbonisation of heavy-duty vehicles, carbon footprinting for efficient logistics and urban air quality. Delegates were joined by Jean-André Lasserre from AFT who presented the French Objectif CO2 programme for freight transport emissions, and by Achim Juechter from Deutsche Post-DHL who presented the group's views on emissions monitoring and fuel efficiency standards for trucks.

The Supply Chain Security Institute discussed continuing developments including Pre-Loading Advance Cargo Information, the EU ACC3 and related regulations, the development of regulated haulier schemes for air cargo being transported by road, and the urgent issue of insider threat.

The Air Institute focused on the continuing development of the EU Aviation Strategy, as well as developments relating to the e-Air Waybill and preparations for the CLECAT Freight Forwarders Forum.

FFF16 'AIR CARGO LOGISTICS: GROUND FOR CHANGE?'

Did you register for the Freight Forwarders Forum 2016, entitled "Air Cargo Logistics: Ground for Change?", which will be held on 16 November in partnership with Brussels Airport, at the nearby Van Der Valk Hotel?

The conference, which will be attended by leading company representatives, industry experts and policy makers aims to discuss a number of important developments in air cargo logistics and how these are being addressed by the industry and EU policy makers, now and in the future.
The conference will look at the following important issues: e-freight, optimisation of the air cargo logistics chain and efficient border and security management.
Visit our website www.clecat.org to find out more.

For more information and for registration have a look at the conference pages at http://www.clecat.org/news/events/freight-forwarders-forum-2016

ELP EVENT ON THE FUTURE OF LOGISTICS

Members of the European Parliament, policy makers, ELP members and other stakeholders are invited to an interactive forum moderated by Jacki Davis on the Future of Logistics in Europe.

Following a keynote introduction from Transport Commissioner Violeta Bulc and a deep dive into logistics trends by DHL innovation, by Markus Kückelhaus, Vice-President Innovation and Trend research, at DHL, a first panel will debate new ways of delivering sustainability in logistics. The panel will discuss how, with innovation and new ways of thinking, practical solutions can be found improve efficiency, reduce emissions and lower operating costs. Will this be enough to reach the EU's decarbonisation targets or is there a need for more stringent regulation? And can Europe keep its No. 1 role in logistics, with the much-needed skills and R&D required?

A second panel will review some real game-changers and disrupters in logistics and provide insights into what logistics may look like in 2050. Today, already, collaboration can produce significant gains in terms of both efficiency and sustainability, so what is preventing this from happening now? If the technology is available, what are the key drivers for - and barriers to - innovation in the freight and logistics sector? And how will these new technologies and models support Europe in meeting the challenges and fulfilling its ambitions on sustainability and growth?

Join the debate by registering HERE.

LEARN PROJECT KICKS OFF

The LEARN Horizon 2020 project, in which CLECAT is a partner, held its kick-off meeting in Brussels on 26-27 October. The project aims to build a co-ordinated network of industry, government and civil society stakeholders to promote a globally harmonised, multimodal carbon footprinting methodology, as the basis for eco-labelling, certification, and carbon footprint measurement and reporting. This would then form the basis of carbon-efficient decision making in the logistics chain.

Partners in the project include research institutes, certification bodies, transport operators, green freight programmes and shippers. It is being coordinated by the Smart Freight Centre, which also runs the Global Logistics Emissions Council, of which CLECAT is a member and will form the basis for LEARN's further work and research.

CLECAT's role in the project includes work on testing and validation of research, development of policy priorities, development of training materials, and dissemination and communication of the project's work.

The public launch of the project will take place on the 15th November. The European Launch of the GLEC Framework is organized back-to-back with the First European Logistics Platform Forum 'The Future of Logistics' in Brussels on 15 November.

EC TRANSPORT SCOREBOARD 2016 – DUTCH TOP RANKING

On Thursday, the European Commission published the 2016 edition of the "EU Transport Scoreboard", a benchmark which compares how Member States perform in 30 categories covering all aspects of transport. The objective of the Scoreboard is to help Member States identify areas requiring priority investment and action by comparing them to other Member States.

EU Commissioner for Transport Violeta Bulc said "My objective is to have a high quality, decarbonised, fully integrated and efficient transport system. The scoreboard serves as a road sign on this journey, pointing the way and indicating the distance still to be covered. It is a useful tool for us, for Member States, and for stakeholders, to identify where we do well and where further investment and actions are needed. It is particularly encouraging to see that the efforts of this Commission to bridge the investment gap in the transport sector are starting to bear fruit."

The Netherlands tops the Scoreboard for the third year running with high scores in 15 categories, followed by Sweden, Germany and Austria. While they have different strengths, they all share a solid framework for investment, good transport safety scores, and a good record of implementing EU law.

Others fared less well. Ireland is marked out as having the lowest share of electrified railway in the EU at just 3 percent, while Lithuania isn't doing a lot to boost alternative fuelled cars, the Scoreboard results show. Luxembourg needs to boost the employment of women in its transport sector and if you live in France, note the decline in road safety standards over the last two years. Sweden came second in the annual exercise, but don't try telling locals that. They are critical of all transport modes in the country, the results show. Belgium needs to sort out its traffic problems, but has great ports.

Overall the Scoreboard finds that there is progress across the EU towards more sustainable and environmentally friendly mobility (e.g. share of renewable energy for transport). However, levels are still low and there are big differences a mong member states.

The Scoreboard also shows that past investments are bearing fruits with improvements in the perceived quality of transport infrastructure across Europe; the number of women employed in the transport sector is increasing, but the overall share of women remains low; consumer satisfaction with all modes of transport (urban, rail, air) has increased; and the number of road deaths is stagnating. Find more information on the Transport Scoreboard country by country here.
View the Interactive Scoreboard for Transport here.

COMMISSION WORK PROGRAMME 2017

This week the Juncker Commission presented its 3rd annual Work Programme for the coming year. The Work Programme sets out the list of actions the Commission will take in 2017. On the basis of the Work Programme, the Commission, European Parliament and Council will now work on a Joint Declaration on commonly agreed objectives and priorities for 2017.

President Jean-Claude Juncker said: “We are focusing on the things that matter, concrete actions that improve people's lives... In the comings weeks I will – together with the European Parliament and Council – select a number of initiatives of major political importance that should receive priority treatment in the legislative process in the months to come. This is the Europe that delivers.”

This year's Work Programme proposes 21 key initiatives, as well as a further 18 REFIT proposals (regulatory fitness and performance reviews) to improve the quality of existing EU legislation and ensure rules are fit for purpose. The new initiatives of the Work Plan include the implementation of the Energy Union Strategy low-emission travel and mobility. Within this several pieces of legislation are to be revised, such as thepost-2020 strategies on cars/vans and on lorries, buses and coaches, the Clean Vehicles Directive, the Eurovignette directive and European Electronic Toll Service (EETS) Directives.

To ensure a focus on delivery, the Commission Work Programme identifies 34 priority pending proposals from the past two years where swift adoption by the Parliament and Council can make a tangible impact on the ground. These include the proposal for amending Directives 2000/53/EC on end-of-life vehicles; the proposal for amending Directive 96/71/EC on the posting of workers; the proposal for a regulation on the approval and market surveillance of motor vehicles and their trailers; and reviewing the Emissions Trading system by amending Directive 2003/87/EC to enhance cost-effective emission reductions and low carbon investments.

This year the Commission is proposing 19 withdrawals of pending legislative proposals which have become outdated, and will repeal 16 pieces of existing legislation which have become obsolete.

Source: European Commission, 25 October
Find out more about the key initiatives here and priority pending proposals here.

Air

HEATHROW AIRPORT EXPANSION APPROVED

UK Ministers have approved the expansion of Heathrow, in a long-awaited decision to expand the country’s airport capacity. The controversial decision will be followed by a year-long public consultation.

Prime Minister Theresa May's cabinet approved the decision in a cabinet committee meeting Tuesday morning, the BBC reported, citing government sources. The decision will trigger a public consultation, that will last for around a year before final plans to build a third runway at the airport are put to a vote in the House of Commons. Construction is not likely to begin until the 2020s. A rival bid from Gatwick Airport was rejected after an independent commission, led by Sir Howard Davies, backed Heathrow expansion last year.

Meanwhile forwarders give cautious welcome to the expansion decision. Robert Keen, Director General of the British International Freight Association (BIFA), "won't be booking a ticket for the opening ceremony just yet." Although the expansion is deemed good news and "appears to be the beginning of the end of years of procrastination over the expansion of UK aviation capacity", uncertainty remains. The legal challenges and the parliamentary and planning processes that are to follow lead Mr. Keen to doubt "that any expansion will be completed by the time that UK aviation capacity is predicted to run out in 2025."

Source: Politico, 25 October

BRUSSELS SHOWCASES AIRSIDE PHARMA TRANSPORTER

At this week's TIACA Air Cargo Forum in Paris, Brussels Airport presented the active version of the "airside pharma transporter" trailer. The innovative vehicle can be pre-conditioned at the correct temperature for maintaining pharmaceutical shipments within the correct temperature limits during transportation between warehouses and aircraft.

This is crucial because an incorrect temperature can cause rejection of medicines. Until today, the period on the tarmac was reckoned to be the most dangerous link in the transportation process.

The active version of the airside pharma transporter ensures that the inside temperature is always and automatically pre-conditioned at the correct temperature. This eliminates the need for the handling agents to condition the transport vehicle and results in quicker cycle times between different transports.

Source: Brussels Airport, 27 October

IATA E-AWB PENETRATION TARGET STILL SOME WAY OFF

The International Air Transport Association (IATA) says the electronic air waybill (e-AWB) penetration rate reached 40.5 per cent in August. This is still some way below the target it set of 56 per cent by the end of the year, and a 0.9 per cent increase on July, when the penetration rate was 39.6 per cent.

In August, the total e-AWB volume was 623,092, up on the 614,652 in July. In June it was 601,024 and in May it was 571,239. The penetration rate, where e-AWB is legally feasible, has risen 4.1 per cent since December in 2015, when the penetration rate was 36.4 per cent and totalled 524,635 in volume.

The top airport in August is Hong Kong International Airport with 67.8 per cent, up from 67.5 per cent while the highest penetration rate is at Dubai International Airport with 89.8 per cent, which is down on July when it was 91.5 per cent. In August, the top airline by e-AWB volume is Cathay Pacific 70.9 per cent, which was down on the 71.5 per cent in July and top airline by e-AWB penetration rate is flydubai with 100 per cent.

Top freight forwarder in August by e-AWB volume is DHL Global Forwarding at 51.5 per cent, up on the 48.5 per cent it achieved in July. Top forwarder by e-AWB penetration was Hellmann Worldwide Logistics with 64.2 per cent, up on the 62.4 per cent it recorded in July.

Source: Air Cargo Week, 4 October

Maritime

IMO CAP ON SULPHUR IN SHIPPING FUEL TO TAKE EFFECT IN 2020

A cap on sulphur content in fuel used by the shipping industry will take effect starting in 2020, delegates at the International Maritime Organization's Marine Environment Protection Committee decided yesterday.

The decision on whether to implement a new cap at 0.5 percent sulphur as a percentage of fuel mass in 2020, down from 3.5 percent, or later in 2025 was highly anticipated. Ship heavy fuel oil is high in sulphur and among the dirtiest fuels used in transportation. Some big shipping countries supported delaying the measure until 2025, but support was overwhelming for 2020 as a starting year for the new rules. Opponents to the cap include some South American countries, Russia and industry associations.

A clear decision on whether to stick with 2020 as proposed in 2008 depended on whether delegates from the IMO's 171-member states were convinced that enough alternative fuels would be available. Two reports have been drafted on the market outlook, with the IMO's report saying demand for new, cleaner fuels can be met by the refinery industry from 2020, while a rival report from fuel and shipping industry associations IPIECA and BIMCO had questioned the results.

"The world has waited a long time for the shipping industry to clean up its act and move toward cleaner fuel," said John Maggs, senior policy officer at NGO Seas at Risk. "That moment has come. Cleaner shipping fuel will become a legal reality in 2020. Thousands of premature deaths will be avoided and millions of people around the world will now quite literally be able to breathe easier."

The global limit for sulphur content of ships' fuel oil has been 3.5 percent as a percentage of mass, or m/m, since 2012. The new global cap will be just 0.50 percent m/m. The EU was planning to bring in such a cap anyway, regardless of the IMO's resolution today. All EU countries were in support of 2020. The implementation of the new cap will be discussed at MEPC 71, set for spring 2017.

Source: Politico, 27 and 28 October

BULC LOOKS TO IMO FOR CO2 REDUCTION IN SHIPPING

After the 70th sitting of the IMO's Marine Environment Protection Committee (MEPC) has reached a decision on the sulphur content in ship fuel, the plenary seek to find an agreement today on how to measure, cap and cut CO2 in the shipping industry.

The discussion is centered on plans to implement a kind of carbon emissions data evaluation scheme from 2019. This could (eventually) lead to a market-based mechanism for cutting CO2, perhaps similar to the one set out for aviation at the International Civil Aviation Organization summit in Montreal earlier this month.

EU Commissioner for Transport Bulc said in an interview on Wednesday that she's waiting on good news from IMO. She wants progress on a three-step deal to cut CO2 emissions from shipping that would start with reporting obligations put on big ship owners. "But let's work … so that we don't then have too much time in between implementation of data collection and further steps [toward CO2 cutting]," said Bulc.

Step two in the plan would set reduction targets and step three would look to bring in an offset mechanism. "We really try to push as much as we can, but we need to jump together — industry, administration and business owners," she said. "[Same for] whoever makes ships, whoever uses ships and also sets up the regulatory framework for them."

Road

REPORT HIGHLIGHTS UK'S RELIANCE ON EU NATIONALS

A new analysis of professional drivers by the Freight Transport Association (FTA) released on Thursday shows a drop in driver shortages across the UK but highlights the sector's reliance on staff from the European Union.

The independent 'Driver Shortage: issues and trends' report, calculates that the shortfall between the number of registered HGVs and the number of qualified drivers is 34,567 - back to the pre-driver crisis levels of 2012. This is attributed to an increased number of employed truck drivers and rising salaries, on average twice the rate of inflation through overtime and bonuses. However, FTA says the challenge for vehicle operators is far from over as there is no pool of qualified drivers on which employers can draw. This is especially relevant at peak times, such as the run-up to Christmas.

Uncertainty over Brexit, poor roadside facilities for drivers and the high cost of licence acquisition are all impacting on the sector, the trade body underlined. FTA Deputy Chief Executive James Hookham said: "The report highlights the industry's reliance on EU nationals, with more than 30,000 - 10% of the entire driver workforce - currently employed in the UK.

Source: Lloyd's Loading List, 27 October, Read the full FTA report here.

AUSTRIA - NEW TOLL FOR TRUCKS AND BUSES

As of January 2017 a new toll trucks and buses in Austria will include a surcharge for noise and harmful emissions. As of January 2017, the truck and bus toll system in Austria will be rearranged. Instead of the previous four-stages bonus-malus system in line with the Euro emission classes, in future there will be only two basic kilometer rates (bonus for tariff group A – Euro VI and tariff group B – Euro 0-V and EEV), with additional external costs for noise and air pollution for the first time.

The tariff will in future be composed as follows: basic rate for infrastructure per kilometer depending on the tariff group (as previously differentiated by the number of axles), plus external costs for traffic-based noise and air pollution (by emission class and number of axles).

Source: Oesterreichische Verkherszeitung, 23 September

Rail

B LOGISTICS LAUNCHES BELGIUM – SWEDEN FREIGHT SERVICE

Belgian freight operator B Logistics has launched its eighth Green Xpress 'high quality' freight service, which is the first it has developed in response to demand from the intermodal market. The Sweden Xpress services depart from Antwerpen and Malmö on Tuesdays, Thursdays and Saturdays, with a yard–to-yard journey time of 21 h each way. This provides 'a fast alternative to boat and a contender for truck volumes', according Jan Kilström, CEO of Green Cargo which handles the last mile operations in Sweden.

Connections to Denmark and Norway are planned. A regular feeder train will also run from the Port of Gent to meet demand from shippers and support the port operator's aim to increase rail's modal share from 10% to 15%. Green Xpress wagonload services run to a fixed timetable, with limited shunting during the journey. A single locomotive is used throughout where possible and real-time tracking is provided. B Logistics says the network offers an average punctuality of more than 95% which is 'unrivalled in the marketplace'.

Source: Railway Gazette, 21 October

RENFE RESTRUCTURES FREIGHT BUSINESS

Spanish national operator Renfe has announced a restructuring of its freight business, aiming to transform Renfe Mercancías to ensure its 'economic, financial and operational viability'. With its freight business having faced on-rail competition since 2005, Renfe says that more commercial management is now essential. While Renfe's passenger activities, and high speed in particular, have recently enjoyed growth levels above 6%, in the face of private-sector competition its freight business has suffered from the impact of the financial crisis on the Spanish economy, high production costs and a lack of flexibility. Renfe Mercancías made a loss of €20·9m in the first half of 2016, with revenue down 11·6% on the year before at €111·3m. Faced with the gravity of this situation, sale of the business to DB was attempted. However, the latter is understood to have decided against acquiring Renfe's freight activities.

Source: Railway Gazette, 26 October

Customs

ADOPTION OF KALLAS REPORT ON SANCTIONS IN EP

The report of Kaja Kallas (ALDE/Estonia) on the Commission proposal for a Directive on customs infringements and sanctions has been adopted in European Parliament plenary session on the 25th of October 2016. The plenary session adopted the report as it was endorsed by the IMCO Committee in July without modification.

During the debate preceding the formal vote on the report, Mrs Kallas explained the main changes inserted compared to the initial proposal of the European Commission. She mentioned the need to keep the system of sanctions as simple and as fair as possible, justifying the deletion of the principle of strict liability, the distinction made between criminal and non-criminal sanctions, and the sanction based on the nature of the infringement instead of the value of the goods. She underlined that the proposal was meant to offer a fair competition environment for legitimate businesses, especially SMEs.

Valdis Dombrovskis, European Commission Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union, estimated that Kallas' report was an improvement compared to the initial proposal. He said that the Commission and the Parliament was sharing the same objective, i.e. proper enforcement of customs law and level playing field for EU operators. He nonetheless pointed out some concerns, calling especially for a clarification of the scope of the directive and the application of criminal sanctions. These points will be put on the table in the case where a trialogue was started between the European institutions, and this will depend on the will of the Council to start its work on the proposal.

The report was welcomed by the majority of the other political groups. They regretted that the Council did not start its work yet and committed to make pressure on Member States to make this proposal moving. Rapporteur Kallas indicated that the report had been adapted in order to respond to the Member States' concerns and hoped this would be enough to convince them to start their work.

CLECAT considers that the report of Mrs Kallas constitutes a clear improvement compared to the initial proposal made by the Commission. CLECAT particularly appreciates the clarification that sanctions proposed under the Directive are non-criminal sanctions; the better distinction made between intention and negligence; the removal of the concept of strict liability; the imposition of fines based on customs duties evaded instead of the valuation attached to the goods; and the introduction of a settlement option. In spite of these concrete progresses, CLECAT has strong reservations with the introduction of the possibility for Member States to apply criminal sanctions in certain cases.

The report adopted is available here.

EC PUBLISHES 2017 VERSION OF THE COMBINED NOMENCLATURE

European Commission publishes 2017 version of the Combined Nomenclature (CN). The Combined Nomenclature forms the basis for the declaration of goods:
(a) at importation or exportation or
(b) when subject to intra-Union trade statistics.

This determines which rate of customs duty applies and how the goods are treated for statistical purposes. The CN is thus a vital working tool for business and the Member States' customs administrations. The Combined Nomenclature was established by Council Regulation on the tariff and statistical nomenclature and on the Common Customs Tariff. It is updated every year and is published as a Commission Regulation in the Official Journal of the European Union. This version applies from January 1st 2017.

The 2017 version of the Combined Nomenclature is available here.

Forthcoming events

CLECAT MEETINGS

2016 FREIGHT FORWARDERS FORUM
16 November, Brussels (morning)

Board & General Assembly
16 November, Brussels (afternoon)

Customs and Indirect Taxation Institute
11 January, Brussels

OTHER EVENTS WITH CLECAT PARTICIPATION

GLEC event on launch methodology
15 November, Brussels

ELP Forum on the Future of Logistics
15 November, Brussels

2016 FREIGHT FORWARDERS FORUM
16 November, Brussels (morning)

FEPORT Second Annual Stakeholders' Conference
8 December, Brussels

EU Rail Freight Day
9 December, Vienna, Austria.

EP/COUNCIL MEETINGS

European Parliament
Plenary Session
24-27 October, Strasbourg
Transport and Tourism Committee
9-10 November, Brussels

Transport Council
1-2 December, Brussels

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