

NEWSLETTER

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Brussels news

CLECAT POSITION PAPER ON COMBINED TRANSPORT DIRECTIVE

CLECAT has today adopted its <u>position paper on the revision of the 1992 Combined Transport Directive</u>.

CLECAT has long supported a revision of <u>Directive 92/106/EEC</u>, which is outdated, ambiguous and creates barriers to the effective operation of combined transport. The review is an opportunity to make the legislative preconditions realistic, transparent and up to date. Overall the Directive should be lighter, simpler and less costly to implement.

The Directive currently discourages some combined transport operations by imposing an arbitrary limit on the road leg. The proposed revision goes some way to overcoming these failings of the current Directive, which is welcome, but would also require improvement in places.

In the position paper adopted on 16 February, CLECAT welcomes the extension of the scope of application of 'combined transport' to all operations in the Union, and all modes of transport. The provisions on operations with an element outside the Union need to be drafted with greater clarity. CLECAT welcomes removal of the specification of "nearest suitable terminal" and the flexibility offered in determining the length of the road leg (150km/20% of total distance, whichever is longest), as well as the removal of the restriction of the minimum length of 100km as the crow flies on the non-road leg. We also support the continued inclusion of the cabotage exemption.

While the possibility to extend the road leg in order to reach the nearest terminal with appropriate facilities is a good innovation, this must be applied to all CT operations and not just road/rail. Furthermore, the proposal lacks clarity and certainty as to how such authorisations will be granted and on what basis. The authorisation of heavier loads for vehicles used in intermodal transport road legs is appropriate, but Member States should also allow an exemption for EMS vehicles.



For reporting purposes, CLECAT supports the introduction of a system based on electronic documents, which could replace the outdated paper document and stamp system. The proposal makes good steps in this direction, but nonetheless opens the door to continued use of stamps and signatures, and must concentrate on the electronic provision of data, rather than documentation.

It is furthermore vital that the measures to provide financial support for terminal investment are subject to proper ex-ante scrutiny, and coordination in order to avoid possible overlapping investment between Member States in close proximity.

As negotiations on this file get under way in Parliament and Council, CLECAT will be working closely with MEPs and national representations to ensure a flexible Combined Transport Directive, appropriate to the current and future transport and logistics market, which eases the ability for operators to carry out Combined Transport operations.

FINAL CORE EVENT: MAKING TRUSTED AND TRANSPARENT SUPPLY **CHAINS A REALITY**

Picture the scene: you're waiting for your imported perishable goods to arrive at the airport/port. They need to be cleared by Customs without delay or their commercial value will quickly become negligible. Or maybe you are shipping high value goods where the inventory cost is far too high to allow for lengthy transit times. Everyday scenarios such as these mean a constant endeavour to ensure that legitimate trade can be managed, processed and dispatched in a seamless manner.



Customs organizations and the companies dealing with them are facing significant challenges. Due to the growth of international trade, e-commerce, Brexit and ever-increasing regulations and requirements in international trade, the amount of customs

declarations and other border formalities are increasing exponentially. Couple this with the limited resources available, organisations dealing with customs matters are looking for novel approaches to be able to cope with these challenges. The CORE data pipeline concept has proven to be an effective way of tackling and overcoming these challenges to help keep goods flowing smoothly, whilst increasing compliance.

But the benefits aren't limited to better coordinated border management. Concepts like low-intrusive scanning and system-based supervision, can guarantee seamless interoperability and bring end-toend visibility. These concepts can enhance the speed, reliability, and efficiency of global supply chains, while safeguarding supply chain security and increasing the effectiveness of compliance supervision by authorities.

Through CORE, a four year and 50 million Euro project in which 70 partners collaborated, Trusted and Transparent Trade Lanes are becoming a reality.

The European Shippers Council and CLECAT, on behalf of the project consortium invite you to the final CORE event which will be held in the Brussels' Stanhope Hotel on 11th April 2018. Shippers, freight forwarders, transport providers and authorities will come together to demonstrate the tangible outcomes of the CORE project and how these can positively impact the future in delivering trusted and transparent supply chains.

More information will follow soon, but you can now register your interest to attend this exclusive event here: http://www.coreproject.eu/events/core-closing-event-hold-the-date.aspx



Road

POSTING OF WORKERS IN ROAD TRANSPORT EVENT



CLECAT has been invited to speak at an event organised by the Permanent Representation of the Republic of Poland to the European Union in partnership with the Union of Entrepreneurs and Employers on Posting of workers in Road Transport.

In its invitation the organisers note that 'posting of workers is an example of free flow of goods and services discussion that seems to face a literal step back in international road transport. The Posting of Workers Directive has the implication of adding on administrative burdens on the road transport companies, resulting in significant negative impact on the European Single Market in a short and long term. Transport companies have been affected by several national legislations on posting and minimum wage, resulting in transport prices increase, pushing costs them further

into the transport chain – in the end affecting the market and the consumer by price range of goods.'

CLECAT believes it is no surprise that the EU13 Member States but equally the peripheral countries in the EU are particularly concerned about the Commission's proposals to apply the Posting of Workers directive to international transport (i.e. transit, bilateral transport and cross-trade). It will be extremely difficult to enforce, taking into consideration the administrative challenge and the national differences in remuneration systems, different social entitlements, different minimum paid holidays and different composition of minimum wages.

The annual compliance costs for business for the application of the three-day threshold suffered by EU13 countries will be of 464 million €/year in comparison to the 16 million €/year expected for EU15. according to the European Commission's own impact assessment. Also, SMEs will be more affected by measures that introduce constraints to transport operations due to their reduced flexibility in organizing and adapting their operations.

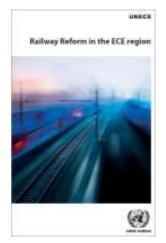
EESC OPINION ON ROAD TRANSPORT MARKET ISSUES

The European Economic and Social Council published this week its Opinion on the proposal on access to the international road haulage market and the occupation of road transport operator. The EESC showed its support for the objective of the Proposal to strengthen the competitiveness of the transport sector while ensuring a socially fair internal market. In its opinion, the EESC welcomed the efforts to ensure a level playing field in an unfragmented internal road transport market, avoid excessive administrative burdens on businesses, improve the clarity and enforcement of the regulatory framework and address abuse, such as the use of letterbox companies, non-transparent business models and illegal cabotage. The Committee stresses that the proposed amendments regarding cabotage can only be successfully and fairly introduced if provisions are introduced to make clear when provision of cabotage services ceases to be temporary and an obligation of establishment arises, and if the complete set of posting of workers rules applies to every cabotage operation without any exemptions.



Rail

RAILWAY REFORM IN THE ECE REGION



The United Nations Economic Commission for Europe (UNECE) has recently published on railway reform in the ECE Region. It looks at the history of railway reform within its member States and looks at how it has been implemented through a number of examples, highlighting that railway reform across the ECE region has taken different forms in terms of institutional structure, market participants and development of the sector.

The paper outlines the evolution of EU rail legislation with respect to three major areas, namely separation of infrastructure management and service operations; market opening and liberalization of the rail services; and promotion of interoperability and technical harmonization to encourage the development of an integrated rail system leading to a single European rail area. The EU approach to reform has been based on the idea that

greater competition makes for a more efficient and customer-responsive industry.

When looking to the extra-EU UNECE countries, the paper finds that railway reform is being undertaken according to different models and is proceeding at different paces. For example, Kazakhstan and the Russian Federation have made certain progress in reforms developing the "Russian-specific" reform model. In Ukraine and Uzbekistan, reforms are widely discussed, and some legal acts are adopted, although practical steps seem to be moderate. In Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Republic of Moldova, Tajikistan and Turkmenistan, reforms have not been yet planned.

The English version can be downloaded here

Maritime

BCG: CONTAINER LINES NEED DIGITAL VISION

Container lines will gain a commercial advantage if they swiftly adopt a structured approach to defining a digital vision, and integrate new technologies, capacities, and mindsets into their traditional way of working. That is the recommendation of a new study from Boston Consulting Group, titled The Digital Imperative in Container Shipping.

Carriers that approach the digital transformation with the right ambition, resources, and scale can leap to the forefront of adoption, the study says, adding that there are quick wins to be achieved within the first year. However, most carriers have failed to take a systematic approach to digital adoption, sticking with the manual methods of trimming during the voyage, restowing, and



documentation management. "Some carriers that have collected impressive volumes of data lack the skills or agile processes to generate insight and improvements," the study warns.

Identifying five imperatives to digital success, the authors urge carriers to develop a digital vision, commit to rapid adoption, create an operating model that enables digital ways of working, nurture teams outside the core business to come up with innovative solutions, and test initiatives and scale them quickly.

Most carriers lack an overall digital vision, the study observes, and have no compelling plan for adoption. Partly this is because of a shortage of digital skills. While certain skills can be developed within existing commercial, operations, and support functions, other skills must be acquired from outside shipping. This will mean carriers going head to head with start-ups where entrepreneurial cultures and opportunities attract digital specialists.

"Well established companies have attracted digital talent by launching a separate company that focuses on building and operating digital solutions. Once these solutions become operational," the study says, "they are transferred to the parent company. In spite of the skills challenge, container lines can overcome organisational hurdles by rapidly taking a structured and disciplined approach to digital adoption, according to the study.

Source: Lloyd's Loading List

Customs

BEIJING E-COMMERCE DECLARATION

The First Global Cross-Border E-Commerce Conference, co-hosted by the World Customs Organization (WCO) and the General Administration of China Customs (GACC), concluded in Beijing, China on 10 February 2018.

Over 2,000 high-level policy and decision makers, as well as operational experts, from Customs administrations, other government agencies, e-commerce operators and other international organizations deliberated on various aspects of cross-border e-commerce with a view to adopting new strategies and approaches that should be beneficial to all.

The Conference emphasized the need for an international standard and supported the expeditious development of the WCO Framework of Standards on Cross-Border E-Commerce. At the end of the Conference, a Beijing e-Commerce Declaration, summarizing the discussions of the conference and outlining the future way forward, was adopted. It should set out a vision for boosting sound, secure, balanced and sustainable development of cross-border e-commerce.

Source: World Customs Organisation

EU-NORWAY VAT AGREEMENT

An agreement on VAT cooperation between the EU and Norway was signed recently. The agreement will provide EU member states and Norway with a legal framework for administrative cooperation in preventing VAT fraud and assisting each other in the recovery of VAT claims.



It follows the same structure that is currently used for cooperation between the member states and the same instruments, such as electronic platforms and e-forms. Fraud schemes often exploit weaknesses in the way VAT transaction chains are controlled when they include counterparts located in third countries.

Norway is the first country with which the EU has an agreement in this field. A member of the European Economic Area, it has a similar VAT system to the EU's. It enjoys a good tradition of VAT cooperation with the EU member states. The agreement was negotiated by the Commission on the basis of the mandate agreed by the Council in December 2014. The legal framework for VAT cooperation between the member states is set by the regulation on VAT administrative cooperatio and preventing fraud and the directive on mutual assistance in the recovery of tax claims.

Recently several initiatives were taken for combating and preventing VAT fraud. All of these initiatives focus mainly on express and postal consignments. For example, according to various sources, recently Swedish Customs called a meeting with a Nordic postal service after it emerged that the state could be losing out on billions of kronor because of consumers not paying VAT on goods bought from Chinese online shopping sites.

Source: Council of the European Union

EU ALIGNS RESTRICTIVE MEASURES AGAINST VENEZUELA

In January, the Council of the EU decided to put several individuals holding official positions under restrictive measures, with immediate effect. According to the Council, these individuals are involved in the non-respect of democratic principles or the rule of law as well as in the violation of human rights. The measures include a travel ban and an asset freeze. In view of the continuing deterioration of the situation in Venezuela, seven persons were included in the list of natural and legal persons, entities and bodies subject to restrictive measures in Decision (CFSP) 2017/2074

The restrictive measures can be reversed depending on the evolution of the situation in the country, in particular the holding of credible and meaningful negotiations, the respect for democratic institutions, the adoption of a full electoral calendar and the liberation of all political prisoners. The Council also recalled that these are targeted measures designed not to harm the Venezuelan population whose plight the EU wishes to alleviate.

On 14 February, the EU aligned its efforts with the Candidate Countries the former Yugoslav Republic of Macedonia, Montenegro and Albania, the potential candidate Bosnia and Herzegovina, the EFTA countries Iceland, Liechtenstein and Norway, members of the European Economic Area, as well as Ukraine, the Republic of Moldova and Georgia in order to ensure that their national policies conform to this Council Decision.

Source: Council of the European Union



Sustainable Logistics

ZERO EMISSIONS LOGISTICS FOR 2050

CLECAT members involved in sustainable logistics and the LEARN project are invited to the <u>ALICE</u> workshop on emission reduction and calcualtions. The workshop builds on the LEARN project and the "*Zero Emissions Logistics for 2050"* objective of ALICE.

8-9 March 2018 | P&G Brussels Innovation Center | Temselaan 100, Brussels Seats are limited so if you want to join please <u>register</u>:

- Workshop day 1 (8 March): Logistics Emissions Accounting
- Workshop day 2 (9 March): Logistics Emissions Reduction Paths

Forthcoming events

CLECAT MEETINGS

Supply Chain Security Institute / Air Logistics Institute 28 February, Brussels

Road Logistics Institute

24 April, Brussels

CLECAT Customs & Indirect Taxation Institute

24-25 May, venue tbc

CLECAT BOARD/GENERAL ASSEMBLY

29 June, Sofia, Bulgaria

OTHER EVENTS WITH CLECAT PARTICIPATION

COMMITTEE OF THE REGIONS CONSULTATION ON LOW-EMISSION MOBILITY 19 February 2018, Brussels

WINDOW POLSKA - POSTING OF WORKERS IN INTERNATIONAL TRANSPORT 21 February 2018, Brussels

ALICE - LEARN Event

7-8 March, Brussels

FIATA WORKING GROUP ROAD TRANSPORT

14 March. Zurich

SIDLEY AUSTIN ROUND TABLE CONFERENCE: HOW TO PREPARE FOR BREXIT?

15 March, Brussels



FIATA HEADQUARTERS SESSION 2018

15-17 March, Zurich

HIGH-LEVEL CONFERENCE ON EUROPEAN MULTIMODAL FREIGHT TRANSPORT

20 March, Sofia

AIR FREIGHT PANEL TLF/CLECAT

20 March, Paris

CORE FINAL CONFERENCE

11 April, Brussels

GLEC MEETING

15 May, Copenhagen

ALICE PLENARY

22 June, Amsterdam

TEN-T DAYS 2018

25-26-27 April 2018, Ljubljana

ITF 2018 Summit: "Transport Safety and Security"

23 - 25 May 2018, Leipzig

EP MEETINGS

European Parliament Plenary Session

28 February – 1 March 2018, Brussels

European Parliament TRAN Committee

19-20 February 2018, Brussels 20 February 2018, Brussels

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