NEWSLETTER

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Brussels news

CLECAT POSITION PAPER ON EFTI PUBLISHED

CLECAT has issued its Position Paper on the European Commission's proposal for a Regulation on electronic Freight transport information (eFTI), which forms part of the third Mobility Package. Through this proposal the Commission wants to establish a fully digital environment for information exchange in freight transport, replacing paper transport documents, which will facilitate digital information flows for logistic operations.

CLECAT welcomes the proposal which sets an important basis for the establishment of a 100% digital environment for information exchange in transport, to the benefit of both the business community and the authorities. Despite the fact that it is expected that implementation will lead to substantial implementation costs, the alternative (no EU Regulation) would mean that the national or local authorities will continue with the development of their individual digitalisation initiatives, without any further coordination or harmonisation efforts. The result would be an even more fragmented transport environment and much higher implementation costs for businesses. In the long run, an EU Regulation addressing the legal acceptance by authorities of digital data is therefore seen as crucial by CLECAT and its Members.

Nonetheless, CLECAT considers it very important that harmonisation should not be introduced by replacing already existing and properly functioning IT systems, but by re-using the existing solutions and focusing on how to make these solutions more interoperable through data harmonisation and the way these systems exchange data. While establishing data sets and other requirements in legislation, CLECAT considers it also important that already existing standards are being considered. Having said this, CLECAT considers that some parts of the proposal require more fine-tuning. If this is



not addressed within the Regulation itself, it could potentially lead to unintended and unnecessary burdens.

CLECAT also calls for a more detailed work programme with more tangible and clearly defined goals to achieve digitalisation, harmonisation and especially less burdens. The foreseen implementation costs for both the public (EUR 268 million) and the private sector (EUR 4.4 billion) are very high. Without a more detailed work programme and a clear common vision of what the desired end state will be, the risk of wasting the foreseen investment is too high.

CLECAT has been an active participant of the DTLF and has supported and contributed to other Commission initiatives in the field of digital transport and logistics and will continue to do so. The efforts of the Commission are highly appreciated. Therefore, CLECAT looks forward to a constructive dialogue with the European Parliament and Member States, so work on an actual digital transport environment can commence and the intended benefits can be achieved for all stakeholders involved.

The Position Paper is available here.

CLECAT PAPER ON BREXIT CALLS FOR REALISTIC APPROACH

Earlier this week CLECAT issued its position paper on the future economic partnership between the EU and UK. Nicolette van der Jagt, Director General of CLECAT, said: "We have carefully reviewed the Facilitated Customs Arrangement (FCA) as proposed by the UK and can only conclude that whereas the concept might be worth further exploring, it needs more detail and therefore more time. The proposed FCA leaves so many questions unanswered, that we fear that it will not be possible to apply it in practice by the end of the transitional period and, most importantly, it increases the chance of a worst-case scenario; a no-deal situation.

Dominique Willems, Senior Manager at CLECAT, added: "Modern Customs legislation and technology provides for numerous simplifications and facilitations through which goods can move across borders unhindered. All the procedures, systems and legislation are already in place to handle huge volumes of goods coming from for example China or the US. Preparing for an economic partnership between the EU and UK with which trade is already familiar, would still be quite a challenge in terms of capacity, but at least we could start preparing for such a situation today. Exploration for further simplification is still very much appreciated, but it requires a more stable environment, clarity and time.

CLECAT urges the negotiators of both sides to prevent a no-deal situation at all cost and to find a solution for the withdrawal agreement and consensus over the future relationship in order to avoid disruption of trade.

You can find CLECAT's position paper here.

DRAFT TRAN REPORT ON EMSW PUBLISHED

On 15 October, the draft report of Transport Committee's Rapporteur Deirdre Clune MEP on the European Commission's proposal for a European Maritime Single Window environment was published. The Rapporteur welcomes the Commission's proposal to repeal and replace the current Directive, in support of the identified shortcomings from the ex-post evaluation of the functioning of the current Directive.



MEP Clune acknowledges that it is clear that there are significant added costs for the industry from a lack of harmonisation for the reporting requirements for each port call and therefore strongly supports any move to reduce the administrative burden facing maritime transport operators. The Rapporteur strongly believes that this is in the best interests of wider trade facilitation and digitalisation.

In her draft report, the Rapporteur firstly sets out that a harmonised dataset is essential and perhaps the most important means of reducing the administrative burden for ships calling at EU ports and for improving the maritime logistic chain.

Secondly, the Rapporteur aims at ensuring that the EMSWe dataset is implemented without prejudice to the customs reporting environment and that there should be cooperation between the relevant authorities here in that regard. Furthermore, she recognises the need for Member States to have the flexibility to sometimes add new elements to their reporting requirements, for various reasons, but believes that it is important to find the right balance in order to not add new administrative burdens.

With regards to the operation of the National Single Windows (NSW), the Rapporteur acknowledges the logic of building upon the existing structures and welcomes the Commission's proposal in this regard. For the proper functioning of the NSW, the Rapporteur wants to ensure the two-way communication between the declarant and the relevant authorities. In addition, the Rapporteur believes that each NSW should have a clear governance dimension with a legal base in order to ensure the smooth processing, flow and handling of data between authorities and between Member States. Moreover, the Rapporteur would also welcome the possibility for Member States to jointly develop a single window.

This view is fully in line with CLECAT's position, as also expressed in a joint position paper published by a coalition of European associations in maritime logistics including CLECAT, ECASBA, EMPA, ESC, ESPO, FEPORT and IPCSA. CLECAT highly appreciates that the concerns and recommendations of the industry have been taken into account in the draft report of the Transport Committee.

The draft will be presented for debate in the TRAN Committee of the European Parliament on the 5th November.

ENVI COM ADOPTS DRAFT REPORT ON CO2 EMISSION STANDARDS FOR HDV'S

Yesterday, the EP's Committee for Environment, Public Health and Food Safety (ENVI) voted on MEP Bas Eickhout's (Greens/EFA, NL) draft report on CO2 Emission Performance Standards for HDVs. The agreement which was reached in the Committee led to a vote for a 20% reduction in truck CO2 emissions in 2025, and a 35% reduction in 2030, thereby setting higher ambitions than those contained in the Commission's proposal.

The increased ambitions of the CO2 reduction targets agreed in the ENVI Committee's report are completely in line with CLECAT's recommendation to the Committee, as outlined in CLECAT's position paper.

CLECAT also believes that emission performance standards for European HDVs will open the door to the widespread adoption of standardised technologies which will improve vehicles' fuel and emissions performance, driving down costs in the industry and contributing to an efficient, low-carbon logistics system. Furthermore, it will increase the competitiveness of European transport and logistics by



driving down fuel costs and maintaining the technological leadership of the European transport industry.

The European Parliament Plenary will vote on the Committee's report during November's Plenary session in Strasbourg.

FFF2018: "CUSTOMS, TRADE AND SKILLS – WHAT'S THE DEAL?"



Interested parties are invited to join CLECAT's annual Freight Forwarders' Forum entitled "Customs, Trade and Skills - What's the deal" taking place on the 15th November at the World Customs Organisation in Brussels. The Forum will highlight the importance of connecting trade, customs and skills across the EU and address challenges freight forwarders, customs agents and

others in the logistics supply chain are facing in view of Brexit, increased protectionism and new customs legislation and systems entering into force.

The Forum will discuss these questions and give first hand insights from the European Commission, WCO and industry experts. Capitalise on this unique opportunity to learn about changes in trade and customs and the impact they will have on your sector. More information is available at the CLECAT conference webpage. The program is available here. If you are interested in registering for the event, you may do so here.

SOLUTIONS FOR ENHANCING RELIABILITY IN INLAND CHAINS

CLECAT organises a panel session at the Intermodal Conference in Rotterdam on the 7th November entitled 'solutions for enhancing reliability in inland chains'. The session will focus on concrete and practical ways to effectively enhance reliability in inland chains. The starting point is that reliability is important and can bring benefits to the supply chain, but good IT insights are lacking. With new technical possibilities for data collection and processing this may be created, and this is currently undertaken by the SELIS project. CLECAT is part of the strong consortium of logistics stakeholders and ICT providers that work in the project the SELIS project supported by the European Commission's Horizon2020 programme.



The Erasmus University of Rotterdam has developed a standard for measuring reliability and creating a dashboard for providing users good information. In another case — equally developed by the University of Rotterdam — a dashboard is created with the aim to provide insight in where barges are in the Rotterdam port area at any time and to give

predictions on their arrival time in the hinterland. This is done based on AIS data and by developing a platform. The panel will give practical insights with speakers including Donald Baan, Business Manager Logistics at Port of Rotterdam, Frans Swarttouw, Managing Director, TEUbooker and Mark Jansen, Director operations, Hupac.

More information on the event is available <u>here</u>.



Brexit Update

BREXIT NEGOTIATION UPDATE

At the European Council (Art. 50) working dinner on 17 October 2018, EU27 leaders reviewed the state of the negotiations with the UK. Ahead of the meeting, Prime Minister Theresa May updated the leaders on the UK perspective of the negotiations.

In her statement on 15 October, UK prime Minister May said "taken together, the shape of a deal across the vast majority of the withdrawal agreement - the terms of our exit - are now clear. We also have broad agreement on the structure and scope of the framework for our future relationship, with progress on issues like security, transport and services".

However, despite the fact that the negation parties are closer to each other and that they are both confident that an agreement will be reached, the issues of Ireland and Northern Ireland and the future customs relationship remain unsolved. After the meeting of 17 and 18 October, the EU27 leaders reaffirmed their full confidence in Michel Barnier as the negotiator and their determination to stay united. They also noted that, despite intensive negotiations, not enough progress has been achieved.

The European Council (Art. 50) called on the Union negotiator to continue his efforts to reach an agreement in accordance with previously agreed European Council guidelines. The leaders declared their readiness to convene a European Council, if and when the Union negotiator reports that decisive progress has been made.

Sources: European Council and UK Government

Maritime

UPDATE ON IMO SULPHUR STRATEGY

In April 2018, the IMO published its strategy on the reduction of GHG emissions from ships, which sets out the vision of reducing GHG emissions from international shipping and phase them out as soon as possible. The new regulation, which limits the allowed percentage of sulphur in fuels from 3.5% to 0.5%, will come into force on 1 January 2018.

In connection to the strategy, the IMO published the Ship- and Port Emissions Toolkits on 17 October, which provide practical guidance on assessing and addressing emissions from ships and ports. More specifically, the guidelines support countries seeking to develop and strengthen national policy and regulatory frameworks related to the prevention of air pollution and the reduction of GHG emissions from ships.

LOW WATER LEVELS ON RHINE

Since this Summer the water levels in the Rhine have been continuously declining, leading to a recordlow in Emmerich (DE) of 24cm last Tuesday. According to current forecasts, the water levels are expected to decline even further.



These low levels have led to significant impacts on transport via the inland waterways, where barges are only allowed to carry half their loading capacity, or even less in some cases. Especially the traffic on the route between Basel (CH) and Koblenz (DE), which is located on the Middle-Rhine, has been struck by restrictions and is expected to be further limited in case the water levels should fall underneath 50cm.

One of the main problems has been observed in North Rhine-Westphalia, where some fuel stations experienced supply shortages in fuel. These resulted from the restrictions in loading capacities for the barges, which were thereby unable to transport their usual fuel quantities. Therefore, it has been considered to shift some of the fuel transports to ships or rail.

However, these problems do not affect all routes on the Rhine to the same extent as those located on the Middle-Rhine. For example, on the route between Rotterdam and Duisburg, the negative impact of the water levels has been much more limited.

Rail

ERA REPORT ON FACILITATION OF COMBINED TRANSPORT

The European Rail Agency has published its final report on how to facilitate combined transport along the networks of the Union rail system. Combined Transport will be crucial to achieving the so-called "co-modal" approach, in which the different modes of transport shall be considered as a whole, rather than individually. In that respect, rail has the challenge to play the most important role in the 'Combined Transport' chain, in order to reduce the share of long-distance road transport by shifting part of it to other lower emission modes, in line with the EU's transport policy.

The Agency launched a Task Force in November 2017, following a workshop on Combined Transport held in Lille on 13 June 2017, with the aim of drafting a report on the topics to be addressed within the EU legislation and European standardisation on railways; the desirable outcome was to facilitate Combined Transport along the networks of the Union rail system.

The final report is available <u>here</u>.

TRAFFIC VOLUMES RISE ON BETUWEROUTE

The traffic volumes on the Dutch rail freight line 'Betuweroute' have surged in the last year, marking an increase in the number of trains by 17% to 23.950. This marks the first increase after two consecutive years of decline, where a seven-year low of 20.400 was reached in 2016.

According to the Dutch information centre 'Rail Cargo', the main reason for the previous decline can be traced back to the construction works on the connection to Oberhausen and the utilisation of the connection via Metere due to the new railway line Zaltbommel-Meteren, which opened in October 2016. In 2017, the construction works were less frequent, thereby leading to an increased operability of the line. Moreover, in 2017 the Betuweroute accounted for 45% of the total cross-border traffic in the Netherlands, representing an 8% increase compared to 2016.



The Betuweroute is expected to achieve its full potential once the connection with Germany is completed. According to current forecasts, the completion would lead to the travelling of 34.500-37.500 trains along the corridor in 2025, and even 37.000-43.000 by 2030. The main advantage of this dedicated freight line becomes apparent in the transport of chemicals, as well as for the utilisation of noisy trains, as it does not cross cities.

Source: Railfreight

SHIFT2RAIL ANNOUNCES PROJECT FUNDING

Shift2Rail, the European rail public private partnership (PPP) tasked, announced that 19 projects worth €152.6 million will be funded under the Shift2Rail Joint Undertaking 2018 Call for Proposals for Research and Innovation activities. Shift2Rail's co-funding will amount up to €77.3 million. The new projects aim to accelerate the transition towards the next generation of railway systems in Europe, by building on the results of past projects.

According to Henrik Hololei, Director General of DG MOVE, shared his conviction in the importance of the programs for leading towards the next generation of railways. He said: "This is a crucial opportunity to invest in projects that will make railways safer, more flexible and more reliable but also cheaper to maintain. Innovation is essential for rail to become the preferred transportation option for tomorrow." The Shift2Rail PPP is tasked with developing strategically focused research & innovation and market-driven solutions, which shall lead to the railway system of the future.

Source: Shift2Rail

Customs

EU-VIETNAM TRADE AND INVESTMENT AGREEMENTS

On 17 October, the European Commission adopted the EU-Vietnam trade and investment agreements, paving the way for their signature and conclusion. Through this adoption, the Commission is demonstrating its commitment to putting these agreements in place as soon as possible. The trade agreement will eliminate over 99% of customs duties on goods traded between the two sides.

Vietnam will remove 65% of import duties on EU exports from entry into force of the agreement, with the remainder of duties being gradually eliminated over a 10-year period, to take into account that Vietnam is a developing country. The agreement also contains specific provisions to address non-tariff barriers in the automotive sector and will provide protection for 169 traditional European food and drink products in Vietnam. Through the agreement, EU companies will be able to participate on an equal footing with domestic companies in bids for procurement tenders with Vietnamese authorities and state-owned enterprises. The agreement also includes a strong, legally binding commitment to sustainable development, including the respect of human rights, labour rights, environmental protection and the fight against climate change, with an explicit reference to the Paris Agreement.

The Commission is now submitting to the Council the proposals for signature and conclusion of both agreements. Once authorised by the Council, the agreements will be signed and presented to the



European Parliament for consent. Once the European Parliament has given its consent, the trade agreement can then be concluded by the Council and enter into force.

Source: EU Commission DG Trade

Forthcoming events

CLECAT MEETINGS

CLECAT SECURITY/AIR Institute Meeting

24 October, Brussels, Belgium

CLECAT Board/GA Meeting

14 November, Brussels, Belgium

CLECAT Rail Institute Meeting

14 November, Brussels, Belgium

FFF2018 – CUSTOMS, TRADE and SKILLS – What's the Deal?

15 November, Brussels, Belgium

CITI Customs Indirect Taxation Institute meeting

16 November, Brussels, Belgium

OTHER EVENTS WITH CLECAT PARTICIPATION

LEARN GENERAL ASSEMBLY

25-26 October, Zaragoza, Spain

SELIS Workshop: Digital Logistics

25 October, Brussels

Final Conference of the EU-funded study on Safe and Secure Parking Places for trucks 6 November, Brussels

Intermodal Conference: Solutions for Enhancing Reliability in Inland Chains 7 November, Rotterdam

ELP event on EurAsian Landbridge

20 November, Brussels

EP/COUNCIL MEETINGS

European Parliament Plenary Session

22-25 October, Strasbourg



European Parliament TRAN Committee

5 November, Brussels

15 November, Brussels

21-22 November, Brussels

3 December, Brussels

European Transport Council

29-30 October, Graz 3 December, Brussels

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