

# NEWSLETTER

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## **Brussels News**

#### **WORKSHOP ON HIGH CAPACITY TRANSPORT**

On 7 May, CLECAT attended the workshop dedicated to high capacity transport, organised by the European Automobile Manufacturers' Association (ACEA). The aim of the workshop was to demonstrate the role of the vehicles with a higher loading capacity in achieving the policy objectives with regards to reducing CO2 emissions from road freight transport.

Demand for freight transport is expected to grow substantially over the next decades. To cope with this growing demand, one could consider high capacity vehicles (HCVs) as a low hanging fruit. "This is one of the most cost-effective ways forward that would also keep carbon emissions in check. It does not require new infrastructure or vehicles and could provide support for road-to-rail when transporting containers to and from harbours," said Mr Jonnaert, the Secretary General of ACEA. "HCVs are already allowed in several EU countries – there is thus a need to form a comprehensive European approach and address restrictions on the cross-border use of HCVs," he added.

On behalf of the International Transport Forum (ITF), Mr Jerker Sjögren presented the recently published ITF report on "High Capacity Transport: Towards Efficient, Safe and Sustainable Road Freight," which found that HCVs can increase transport efficiency, reduce transport volumes and lower CO2 emissions from road transport. Earlier concerns with respect to a possible modal shift from rail to road, wear and tear of roads and bridges, as well as safety concerns, have also shown to be unjustified. "Different regulations and public attitudes are the real challenges that need to be overcome to reach a low hanging fruit for the introduction of HCVs," Mr Sjögren specified. The findings of several European projects on high capacity transport, namely FALCON (on the concept of Smart Infrastructure Access Policy) and AEROFLEX (on aerodynamic and flexible trucks for next generation of long-distance road transport), were also presented.

Ms Nicolette van der Jagt, Director General of CLECAT, together with the European Commission's DG MOVE and the Ministry of Infrastructure of the Netherlands, participated in the roundtable discussion





on HCVS as smarter mobility solutions for smarter policies. Mr Eddy Liegeois, Head of the Road Transport Unit at DG MOVE, recognised the benefits of HCVs, which he believed could be best optimised for long-haul trucking. He also noted that all modes are complementary and that each of them needs to compete on its own merits. "It is the right moment for the

sector to reflect on the issue and to provide some strong indication that the current legislation on weight and dimensions for international traffic needs revision," he suggested. To promote the uptake of high capacity transport, panellists highlighted the need to show how it contributes to multi-modal transport as a whole, gain political support and form a clear regulatory framework. "The focus should be on regulatory solutions by reducing freight movement and emissions and adding more efficiency to logistics supply chains," said Ms van der Jagt.

Summarising, Mr Stefan Deix, Director of EUCAR, emphasised the importance of empirical evidence and giving direct recommendations to policy makers on how to implement HCT solutions. "Now is the time when things are getting urgent and the technology is ripe – it is thus high time to rethink our attitude and make it impossible not to happen," he concluded.

### Air

#### **WEAK AIR FREIGHT DEMAND CONTINUES**

IATA's <u>recent report</u> on air freight (May) stated that data for global airfreight markets indicates that the demand for air cargo in March, measured in freight tonne kilometres (FTKs), increased by 0.1% year-on-year. This is a significant improvement on the 4.9% contraction in February, which had marked the fourth consecutive month of negative year-on-year growth and represented the worst performance in the last three years. However, according to IATA, in seasonally adjusted terms, demand is still down 1.5% over the past year.

Simultaneously, available capacity, measured in available freight tonne kilometres (AFTKs), increased by 3.1% year-on-year. Thereby, capacity growth has now outstripped demand growth for 11 out of the last 12 months.

## Maritime

#### STUDY ON MEASURES TO REDUCE SHIPPING EMISSIONS BY 2030

On 3 May, a new EU-funded study on the "Methods and Considerations for the Determination of Greenhouse Gas Emission Reduction Targets for International Shipping" was published. The study



concluded that only a subset of potential policy options, namely those that mandate changes in how the existing vessel fleet is operated, can achieve the significant effect required to meet the shipping sector's emission reduction objectives. Examples of these policies are speed limits or mandatory limits on operational efficiency or shaft power.

The study, conducted by CE Delft and UMAS, analysed potential short-term measures included in the International Maritime Organisation (IMO)'s initial strategy and estimated their impact on the reduction of GHG emissions from ships by 2030. To note, the initial IMO strategy commits to improving the carbon intensity of international shipping by at least 40% by 2030 and to reduce the total annual emissions by at least 50% by 2050 (compared to 2008 levels). The specific policy measures that can turn these commitments into practice, considered in the study, are those that could enter into force imminently and help to control GHG emissions over the period between now and 2030.

Various proposals by IMO Member States for emission reduction measures were assessed in the study, including speed limits and the improvement of ship's operational efficiency, as well as a shaft power limit. All of these proposals were found to be compatible with the IMO's objectives on the condition that they are sufficiently strict. Furthermore, the study considered options for nonmandatory limits that use existing policy (i.e. Ship Energy Efficiency Management Plan) to incentivise greater efficiency. However, such non-mandatory limits were deemed ineffective as they would reduce GHG emissions by not more than 2% from the expected business-as-usual levels. The report also analysed the emissions reduction impacts of further increasing the stringency of the Energy Efficiency Design Index (EEDI) regulation. Although these changes would not bring about any significant GHG reductions by 2030, they would achieve more impact in the longer term, the study found.

The specific policy measures necessary to meet IMO's shipping emission reduction targets will be discussed as part of the IMO negotiations in London next week, at the IMO's Marine Environment Protection Committee (MEPC74) on 13-17 May.

## Rail

#### FOLLOW-UP ON GREAT BELT BRIDGE ACCIDENT OF JANUARY

On 7 May, the Joint Network Secretariat (JNS) issued the <u>European Action Plan containing short-term</u> risk mitigation measures on the use of pocket wagons. This follows the railway accident that occurred on the Great Belt Bridge in Denmark on 2 January, involving a Combined Transport train, driven by DB Cargo, that consisted of pocket wagons carrying semi-trailers, and an intercity (IC) passenger train, which was travelling in the opposite direction on the neighbouring track.

The interim findings from the National Investigation Body (NIB) of Denmark showed that semi-trailers may not be sufficiently secured against movement when transported on pocket wagons. In particular, the mechanism that ensures the locking of the kingpin in the hitch of the pocket wagons was found to be unlocked on several occasions. Subsequently, the NIB had issued a corresponding safety alert.

Following the request by the National Safety Authority of Denmark to launch a Joint Network Secretariat (JNS) Urgent Procedure, the JNS Panel, representing the entire railway sector, agreed and established a task force which was organised and chaired by the European Union Agency for Railways



(ERA). The task force was composed of experts from the concerned sector organisations and has defined an action plan containing short-term mitigation measures.

These agreed short-term mitigation measures, which can be found here, aim at ensuring:

- appropriate maintenance of the hitch and in particular of the mechanism to lock the kingpin;
- correct positioning of semi-trailers on the pocket wagon for the entire duration of the trip;
- the vertical locking of the semi-trailers' kingpin.

Source: European Union Agency for Railways (ERA)

#### GERMAN COALITION DEMANDS NATIONAL PRIORITISATION OF RAIL

On 7 May, the German coalition factions (CDU/CSU and SPD) demanded in a joint motion to the Bundestag (German Federal Parliament), entitled "Give rail the highest priority", that the German federal government should strengthen rail as a mode of transport. Therefore, CDU/CSU and SPD are proposing 22 measures to be implemented "within the available budget", including e.g. pushing ahead with the digitalisation of the railways, expanding railway stations and making the network compatible for 740-metre freight trains by 2020.

In the motion, the coalition factions point out, inter alia, the lack of rail capacity and the need to catch up in the maintenance of rail infrastructure, as the lack thereof is currently slowing down a possible shift to rail. This is why it is necessary "to keep-up the increased investment of recent years, which has resulted in more investment being made in rail transport today than ever before", the motion states.

The Members of Parliament also noted that while halving the train path prices in rail freight transport has achieved an important relief for the rail transport companies, further measures would be needed to divert more traffic from road to rail.

In their proposal, the coalition factions call on the federal government, inter alia, to evaluate the railway regulation law and, if necessary, to further develop it. In order to increase the proportion of electrified lines in the German rail network from currently just under 60 to 70 percent by 2025, a concept should be presented as soon as possible.

Source: German Bundestag

## Customs and Trade

#### EP STUDY ON THE ACHIEVEMENTS OF THE EU CUSTOMS UNION

On 6 May, the European Parliament published an in-depth analysis on the rights and benefits delivered to European citizens by developments of the EU Customs Union and on the potential for further achievements. The study finds that the benefits of the EU Customs Union are manifold and include not only rights in a technical sense, but a number of legal advantages.



The report provides that the introduction of the status of an Authorised Economic Operator (AEO) is an important achievement and a benefit as such. Other major achievements are the electronic environment, which allows businesses to manage their customs matters as an integral element of their business IT processes, the uniform regulatory environment, which can reduce compliance costs and ensure a level playing field, and the established right to be heard in customs matters.

Notably, the analysis recognises that the EU Customs Union has the potential for delivering further benefits for EU businesses. For instance, there is potential for promoting the enjoyment of the benefits afforded to legitimate trade and explore such measures particularly for SMEs. There is also much potential in completing and strengthening the digital environment, where a sound legal basis for the continued operation, maintenance and update of the system could have an added value. The study also highlights the importance of promoting coherence between EU Customs and the VAT system for ensuring further benefits for EU businesses.

Source: <u>European Parliament</u>

#### WCO GLOBAL CONFERENCE ON THE FUTURE OF THE HARMONIZED **SYSTEM**

On 2 -3 May, the World Customs Organization (WCO) hosted the Global Conference on the future of the Harmonized System (HS), which aimed to discuss a possible strategic review of the HS, to look at how the HS is working across its user base, to see what might need to be done to improve its functioning and to make recommendations to the WCO Policy Commission on whether to proceed with a Strategic Review.

The WCO Conference recognised that the HS is an essential tool for the global trade system and plays a central role in trade and statistics. It acknowledged the current strength of the HS as a multipurpose tool and a truly universal language of world trade and one of the WCO's most successful instruments. While expressing the view that the HS was still relevant and "fit for purpose", the Conference also endorsed the idea that there was room for improvement to ensure that the HS remains compatible with 21st Century trade, changes in technology and the needs of users.

In this context, the Conference recommended that the Policy Commission support the implementation of a project to further examine potential areas of change for the Harmonized System which would need to be transparent and inclusive and conducted in an efficient and timely manner.

Source: World Customs Organization

#### UN/CEFACT BLOCKCHAIN PROJECT

UN/CEFACT initiated a project on cross border inter-ledger exchange for Preferential Certificates of Origin (CoO) using Blockchain.

The project scope is to create a UN/CEFACT standard on the creation of a cross-border inter customs ledger using Blockchain technology and define: how Blockchain technology could be used to create a platform that facilitates exchange of digital certificate of origins and other related documents; the scope of co-operation with other bodies such as World Customs Organization for activities such as membership management and for facilitating participation by member countries; how existing UN/CEFACT deliverables could be used by such a platform; possible changes to existing UN/CEFACT



deliverables, or new deliverables, that could be considered in order to support the creation of such a platform and other key issues to consider while creating, administering and using such a platform.

Membership is open to UN/CEFACT experts with broad knowledge in the area of Blockchain and/or trade facilitation and related business processes. In addition, Heads of Delegations may invite technical experts from their constituency to participate in the work.

More information about the project can be found here.

## Forthcoming events

#### **CLECAT MEETINGS**

#### **Customs and Indirect Taxation Institute meeting**

5 June, Brussels, Belgium

#### Board/General Assembly

26 June, Paris, France

#### OTHER EVENTS WITH CLECAT PARTICIPATION

#### Global Liner Shipping Conference

13-15 May, Hamburg

#### EU Foresight initiative Customs 2030+

13-14 May, Brussels

#### High Level Seminar on Customs Single Window

15-17 May, Bucharest

#### OECD International Transport Forum Summit / Global Maritime Logistics Dialogue

22-24 May, Leipzig

#### FENEX – Dutch Freight Forwarding and Logistics Services event

4 June, Rotterdam

#### WCO IT/TI Conference

12-15 June, Baku

#### 2019 International Congress of Authorised Economic Operators / SIL

26-28 June, Barcelona

#### **ELP** event on Logistics

25 September, Brussels



#### **EP/COUNCIL MEETINGS**

#### **EU Transport Council**

6 June, Brussels

#### **European Parliament TRAN Committee**

24-25 July, Brussels

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