

# NEWSLETTER

european association for forwarding, transport, logistics and customs services 28 June 2019

### Table of content

CLECAT BOARD/GA MEETINGS IN PARIS	P 1	INDUSTRIES	P 4
FINNISH PRESIDENCY PRIORITIES	P 2	EU-VIETNAM TRADE AND INVESTMENT AGREEMENTS	P 5
GERMAN COALITION ON RAILWAY SIDINGS	Р3	WCO PRIVATE SECTOR CONSULTATIVE GROUP	P 6
COMMISSIONER BULC ON EU AVIATION STRATEGY	Р3	AGREEMENT ON EU 2050 CLIMATE STRATEGY EXPECTED THIS YEAR	P 6
AUDIT ON EU AIR TRAFFIC MANAGEMENT	P 4	WEBINAR ON REFINED GLEC FRAMEWORK	P 7

# **Brussels News**

# **CLECAT BOARD/GA MEETINGS IN PARIS**

On 26 June, CLECAT's Board and General Assembly met in Paris at the kind invitation of the Union TLF and TLF Overseas, in conjunction with their Annual meeting. CLECAT members agreed on the future work-programme and priorities for the upcoming year/s.





It was noted that 2019 is a year of political change and shifting priorities for the European Union. With the European elections, the prospects of Brexit on 31 October, the multiple national elections in the EU Member States, 2019 brings along some uncertainty for companies, organisations and States interacting with the European Union. It was also

noted that the new European Parliament elected on 26 May marks the end of bi-partism between the European People's Party and the European Socialist Party and confirms a consolidation of a pro-European bloc with the Liberals and Greens. The elections will also influence the composition of the European Commission and its agenda for the new mandate.

CLECAT will continue to support '<u>Logistics for Europe</u>', initiated in August last year by the German Freight Forwarders' Association DSLV. The industry campaign emphasises the importance of the European Union for society and economy, while advocating the need of a border-free Europe.



Significant progress has been achieved during the last 25 years in creating a Single Market for Transport, but barriers, gaps and market inefficiencies remain. The residual barriers still generate substantial costs for the sector, and in turn for the end customer.



They should be addressed through further action at EU level. The European Institutions should remain vigilant to ensure fair competition and limit the rise of a patchwork of divergent and cumbersome national and local requirements which generate substantial inefficiencies, red tape and barriers to entry on the

market. All these issues have been outlined in CLECAT's <u>Strategic Priorities</u> Paper which set out the views European freight forwarders, logistics and customs sector. CLECAT is looking forward to discussing these issues with the new elected MEPs and their staff.

#### **FINNISH PRESIDENCY PRIORITIES**

As of next week, Finland will take over the rotating Presidency of the Council of the EU for the period of six months. Finland is taking the reins at a challenging time in both EU and Finnish politics, as the new Finnish Government has just assumed its position and the formation of the new European Parliament and Commission continues. With digitalisation and sustainability at the forefront of its transport agenda, the incoming Presidency will focus on four main priorities: safe automation, digital transport services, climate and sustainability of transport, data economy.

Continuing work on the **Eurovignette Directive** will be one of the key priorities for Finland. The Finnish Presidency will attempt to move this proposal further, although it expects discussions to be difficult. The progress report and the recent Romanian Presidency's compromise will be further discussed in September, with an aim to decide where this dossier is headed. Although additional technical work is necessary, Finland considers it feasible to develop a position that could be supported by a majority of the Member States. The Council's General Approach is expected at the December Transport Council.

Regarding the market and social aspects of the 1<sup>st</sup> Mobility Package, the Finnish Presidency's role will be to prepare the Council for trilogues and start negotiating with the EP and Commission, if possible. The incoming Presidency is now waiting to see whether the newly elected TRAN Committee will be able to secure a mandate for entering into trilogues.

As there will be no legislative files on **maritime policy**, the Finnish Presidency will focus on bringing forward the discussions in the Shipping Working Party and achieving better IMO coordination. A non-paper for Member States' policy debate on shipping is envisaged, based on climate-related issues in shipping and the automation and digitalisation in maritime transport. Overall, the incoming Presidency hopes to feed into the programme of the new Commission and pave way to the following Croatian Presidency, as it will have a maritime programme and hold an Informal Maritime Council with a possibility to reach Council Conclusions.

With **digitalisation and data economy** as high priorities for Finland, the Presidency will organise a high-level Conference on Data Economy (25 November) and the Digital Transport Days (7-9 October), together with the Commission. On data economy, the aim is to have a policy discussion on data among the Member States to discuss what is needed to advance the discussion on (open) data.

Regarding the **Electronic Freight Transport Information**, the Finnish Presidency intends to start trilogues with the EP and Commission as soon as possible. Given the non-confrontational positions of the co-legislators, the trilogues could possible start already in September. The Finnish Presidency considers that it can reach an agreement between the institutions by December.



# Rail

#### **GERMAN COALITION ON RAILWAY SIDINGS**

This week, an alliance of 37 German associations and organisations from logistics, industry and trade handed over a jointly developed "railway siding charter" to the German Ministry of Transport and Digital Infrastructure (BMVI), in which they advocate for the strengthening and promotion of sidings in the German rail network. The German Federal Association for Freight Forwarding and Logistics (DSLV), which is a member of CLECAT, supports the initiative for more sidings in Germany, which ties in with the German government's "Master Plan for Rail Freight Transport".

By implementing the proposed measures contained in the charter, the alliance aims to strengthen customer-oriented connections to the rail network and thus the freight transport services offered by the railways. DSLV President Axel Plaß commented: "The transport service by rail, which is increasingly in demand by freight forwarders and their customers, will only be satisfactory if there is a significant improvement in the services offered. In addition to combined road-rail transport, wagonload transport also has growth potential. It is therefore necessary to counter the current trend of a steady decline in the number of sidings by improving the framework conditions for their construction, operation and servicing."

The central requirements of the railway siding charter include a reduction in bureaucracy, a reduction in the cost burden for connections to the public rail network, a connection to industrial sites and the strengthening of tri- and multimodal nodes.

More information on the charter (in German) is available here.

Source: German Federal Association for Freight Forwarding and Logistics (DSLV)

# Air

#### **COMMISSIONER BULC ON EU AVIATION STRATEGY**

In an article in the Parliament Magazine, European Commissioner for Transport, Violeta Bulc, commented on progress that has been made on the EU Aviation Strategy from 2015, noting that it has laid the essential groundwork for future success. Looking back on the past four years, Commissioner Bulc noted that next to a revision of the legal framework regulating aviation safety, and the new rules to create a level playing field for EU airlines to compete with non-EU carriers, the Commission has made progress in negotiations for aviation agreements with third countries.

The Commissioner points out that greater infrastructure investment is needed at national level, and that the Commission is currently investigating how to make airport charges, slot allocation and broader internal market rules more efficient to encourage capacity, competition and connectivity.

Regarding aviation emissions, the Commissioner noted that CO2 emissions from flying are currently twice as high as they were in the 1990s. The Commission will continue its fight against climate change by promoting the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The



recent Aviation Environment Report indicated relative improvements, for example in noise and fuel consumption. However, aviation's overall negative impact on climate, noise and air quality continues to grow as air traffic volumes increase. In reference to the growing demand for an environmental tax, she noted: "It will be for the incoming Commission to decide whether or not taxation is the right way to reduce aviation's environmental footprint. Personally, I simply recommend keeping our eyes fixed on the target - cleaner aviation and at the same time keeping an open mind on how to do it."

#### **AUDIT ON EU AIR TRAFFIC MANAGEMENT**

On 25 June, the European Court of Auditors published a report which reviewed the EU's intervention in the deployment phase of SESAR, the technological pillar of the EU's Single European Sky (SES) initiative. The report found that while EU regulation fosters air traffic management modernisation, the EU funding of projects was largely unnecessary.

The auditors assessed how well the European Commission managed the deployment of SESAR, a programme which was launched in 2005 and seeks to harmonise and modernise air traffic management (ATM) systems and procedures across Europe. These systems have traditionally been developed at a national level. Overall, the EU has committed €3.8 billion to SESAR between 2005 and 2020, of which €2.5 billion was earmarked to support the deployment of such systems and procedures. Moreover, the auditors also assessed how the deployment of SESAR helped meet the objectives of the Single European Sky policy. They examined whether the EU's intervention was designed to address existing and future needs and whether it added value to the management of air traffic in Europe.

The report acknowledges that ATM modernisation benefits from regulation and coordination at EU level. It notes that SESAR's concept of common projects promotes coordinated action and mitigates the "last mover advantage", in which stakeholders tend to postpone their investments knowing that benefits will only arrive when all stakeholders are equipped with the new technology.

Overall, the report concluded that the EU's regulatory intervention in the form of common projects has added value. However, it also found that EU funding in support of air traffic management (ATM) modernisation was largely unnecessary, and that the management of the funding is affected by some shortcomings. Based on this, the Court recommends the European Commission to improve its support for ATM modernisation.

# Maritime

# COR URGES SUPPORT FOR THE MARITIME INDUSTRIES

On 27 June, the European Committee of the Regions (CoR) adopted an opinion on A New European Agenda to Speed Up the Development of Maritime Industries, urging support for the maritime industries to ensure the success of their environmental and energy transition, together with the digital transformation and industrial revolution, and for the sector's careers to be made attractive again.

The rapporteur, Mr Christophe Clergeau (FR/PES), has emphasises that "this own-initiative opinion restates the need for maritime ambitions to be at the heart of the next Commission's term and for a new industrial policy roadmap for the maritime industries to be adopted rapidly." In this regard, the proposal to launch the European Sea Tech scheme, aimed at mobilising the regions to build European



networks around value chains and the new challenges facing the maritime industries – networks that link regional innovation systems – is one of its key elements for the CoR.

The CoR has further proposed:

- Taking account of all maritime activities and responding to the critical cross-cutting challenges represented by environmental and digital transition, and the robotisation of industries;
- Exploring the potential of emerging blue economy sectors in terms of both the myriad market applications and the new technologies through which they can be developed;
- Introducing dedicated financing tools that factor in the risks inherent to the constraints of the marine environment and to the long investment cycle;
- Recognising ports as platforms for the blue economy, a rapid transition by ports to clean energies and decarbonised maritime transport, as levers for the development of the maritime industry.

# **Customs and Trade**

#### **EU-VIETNAM TRADE AND INVESTMENT AGREEMENTS**

On 25 June, the Council adopted decisions on the signature of two agreements between the EU and Vietnam: a free trade agreement (FTA) and an investment protection agreement (IPA). Both agreements will be signed on 30 June 2019, in Hanoi.

The FTA between the EU and Vietnam is the most ambitious free trade deal ever concluded with a developing country. It provides for the almost complete (99%) elimination of customs duties between the two blocks. 65% of duties on EU exports to Vietnam will disappear as soon as the FTA enters into force, while the remainder will be phased out gradually over a period of up to 10 years. The FTA will also reduce many of the existing non-tariff barriers to trade with Vietnam and open up Vietnamese services and public procurement markets to EU companies. As one of the "new generation" bilateral agreements, the EU-Vietnam trade deal also contains important provisions on intellectual property protection, investment liberalisation and sustainable development.

Following the endorsement by the Council, the agreements will be signed by the EU and Vietnam and presented to the European Parliament for consent. Once the European Parliament has given its consent, the trade agreement can be officially concluded by the Council and enter into force, while the investment protection agreement will first need to be ratified by Member States according to their respective internal procedures.

Source: Council of the EU

#### WCO PRIVATE SECTOR CONSULTATIVE GROUP

Between 24-25 June, the Private Sector Consultative Group (PSCG) met for its 47<sup>th</sup> session at the WCO headquarters in Brussels with the participation of representatives from 16 PSCG members. The freight forwarding industry was represented by Mr. Steve Parker, Chair of the FIATA Customs Affairs Institute (CAI).



During the meeting, the group discussed its work on the Comprehensive Review of the Revised Kyoto Convention, Performance Measurement and the WCO Study Report on Disruptive Technologies. In addition, the PSCG reviewed the status of the WCO Framework of Standards on Cross-Border E-



Commerce and expressed its support for the Framework and its commitment to participate in any additional WCO work on E-Commerce.

The group also prepared for the PSCG Dialogue with the WCO Policy Commission Members on 26 June. This Dialogue included issues of importance to the PSCG's work over the past last year. PSCG delegates and Policy Commission Members held an interesting exchange of ideas and suggestions for future work.

Source: World Customs Organization

# Sustainability

### AGREEMENT ON EU 2050 CLIMATE STRATEGY EXPECTED THIS YEAR

At the European Council Summit on 20 June, EU countries failed to reach an agreement on the long-term EU's strategy on climate-neutral economy, proposed by the European Commission in November 2018. The main obstacle remains the compensation for the costs attached to clean energy transition.

At the high-level summit, a vast majority of 24 Member States voted to reduce their greenhouse gases by 2050 to a technically feasible minimum, as well as to offset remaining emissions. However, the opposition from Poland, Czech Republic, Hungary and Estonia has prevented the adoption of the long-term climate neutrality goal with the explicit mention of a 2050 deadline. A final version of the European Council's <u>conclusions</u> says the EU will "ensure a transition to a climate-neutral EU in line with the Paris Agreement," excluding the 2050 date, which was part of the latest draft.

Discussing the outcome at the Environment Council on 26 June, Poland's representative suggested that a "compensation mechanism" must be established to help out countries hit by the "deep economic and social changes." Poland's excuses were mirrored by the Czech Republic, which has also highlighted the massive endeavours that will be required by the 2050 strategy.

The next opportunity to return to the issue will be at the next European Council's Summit in October, although it is likely to be dominated by Brexit as the UK is due to leave the EU at midnight on 31 October. The European Council is hoping to finalise its guidance before the end of the year with a view to the adoption and submission of the EU's long-term strategy to the UNFCCC in early 2020.

### WEBINAR ON REFINED GLEC FRAMEWORK

Carbon emissions from freight transportation are on the rise, but it does not have to be that way. We are dedicated to taking control of logistics emissions, and we believe that calculating and reporting carbon emissions is the first step in reducing them. That's why we are organizing a live webinar



featuring industry experts on 9 July at 3:00pm CET: How to calculate, report and reduce logistics emissions using the updated GLEC Framework?



The GLEC Framework is the only globally recognized methodology for the harmonized calculation and reporting of logistics carbon emissions across the multi-modal supply chain. Since releasing the first version of the Framework in 2015, the method has been refined to make it easier to apply, which is culminating in the 2019 update of the GLEC

Framework. The GLEC Framework can be implemented by shippers, carriers, and logistics service providers for scope 1, 2 and 3 emissions. It is designed to inform business decisions and steer efforts to reduce emissions. It is in alignment with: Greenhouse Gas Protocol, UN-led Global Green Freight Action Plan, CDP reporting, and multiple industry standards.

In the one-hour webinar you can learn:

- Why is there a need to calculate emissions from freight transport?
- How can you apply the GLEC Framework to calculate, report, and reduce emissions?
- What is the link between the GHG Protocol and the GLEC Framework?
- How does the adoption of the GLEC Framework support DP DHL's commitment to zero emissions by 2050? - presentation by DP DHL.
- What is the relation between CDP and the GLEC Framework? presentation by CDP.

Registration is open here.

# Forthcoming events

#### **CLECAT MEETINGS**

### ICS2 Workshop

10 September, Brussels

### **CLECAT Customs and Indirect Taxation Institute**

11 September, Brussels

#### **CLECAT Rail Institute**

25 September, Brussels

#### **CLECAT Freight Forwarders Forum 2019**

14 November, Brussels

#### **CLECAT Board/GA**

15 November, Brussels



### OTHER EVENTS WITH CLECAT PARTICIPATION

## **ELP Event on Logistics**

25 September, Brussels

### **Digital Transport Days**

7-9 October, Helsinki

# **Smart Ports Smart City Expo World Congress**

19-21 November 2019, Barcelona

# **EP/COUNCIL MEETINGS**

# **European Parliament Plenary**

2-4 July, Strasbourg (constituent Plenary sitting) 15-18 July, Strasbourg

# **European Parliament TRAN Committee**

24-25 July, Brussels

# **EU Transport Council**

2 December, Brussels

#### Contact

# Nicolette van der Jagt

Director General CLECAT

Rue du Commerce 77, B-1040 Brussels, Belgium

Tel +32 2 503 4705 / Fax +32 2 503 47 52 E-mail nicolettevdjagt@clecat.org / info@clecat.org

**У** @CLECAT\_EU www.clecat.org



european association for forwarding, transport, logistics and customs services

