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Brussels News

CLECAT-TAXUD ICS2 WORKSHOP

On 10 September, CLECAT held a workshop, jointly organised with the European Commission's DG TAXUD on the Import Control System 2.0 (ICS2). ICS2 will fully replace the existing Import Control System and introduce an entirely new business process, which will have a significant impact on the Freight Forwarding industry and supply chains as a whole. The workshop was organised for CLECAT Members to familiarise themselves with the overall purpose and functioning of ICS2, as well as with its planning and the foreseen implementation.

Logistics and transport operators have to provide advance cargo information for shipments into the EU through the lodging of an electronic declaration. For the lodgement and processing of the declarations an IT system, the ICS (Import Control System), was implemented. Due to significant weaknesses of the ICS concept, in particular regarding data quality and timely availability, it was overhauled in the Union Customs Code. Major changes include the option of multiple filing, filing by different actors in the supply chain (including freight forwarders) and in different data sets at different points of time. These changes will be implemented with ICS2, together with the PLACI data for airfreight.



During the workshop, the representatives of DG TAXUD's ICS2 Team introduced the principles of ICS2 and focused on how the changes will affect global supply chains and explained the new roles and legal obligations which they create. The IT aspects and the business transformation related to ICS2 were also discussed, including the new filings at level of house airwaybill and bill of lading for freight forwarders, new data elements (such as HS-codes), new possibilities for diversion or transshipment, as well as the Risk Analysis Cycle and the relationship of ICS2 with other customs and maritime and air freight procedures.

ICS2 will be first implemented in 2021 when postal and express operators have to start filing advance cargo information. As of 2023, the full implementation for air freight will start. Finally, in 2024, maritime, rail and road transport will be implemented. This might seem far away, however, considering the large impact ICS2 will have on logistics, it is urgent to start preparations also on the private side as soon as possible. This was consequently the main conclusion of the workshop.

PRIORITY LANES FOR EU POLICY



PAVE THE WAY FOR INTERNATIONAL TRADE

Finding the right balance between protecting the EU economy, society and facilitating legitimate trade is critical to Europe's welfare. Customs and other border procedures are an important success factor for doing international trade. Customs and trade policies should not result in unnecessary burdens to legitimate trade but instead seek to encourage growth of EU trade.

#prioritylanes4logistics

CLECAT European Association for Forwarding, Transport, Logistics and Customs Services

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The policy priorities of CLECAT – the European Association for Forwarding Transport Logistics and Customs Agents were issued this week. Today, the focus is on securing logistics supply chains. Our industry is eager to protect and secure global supply chains with standards, investments and robust policies.

CLECAT encourages policy makers to have a close look at the priority lanes in support of a call for a stronger Europe through further opening of markets and harmonisation, as well as removing barriers instead of creating new ones. CLECAT is of the view that creating a fully integrated transport sector will translate into improved logistics chains, greater environmental sustainability, enhanced internal cohesion and increased competitiveness of the EU on the global stage.

You can download the brochure Priority Lanes for Logistics [here](#).

REGISTRATION IS OPEN FOR ELP EVENT 'LOGISTICS IN TRANSITION'



The European Logistics Platform (ELP) organises its first large event for the new European Parliament on the 25th September. The event entitled '**Logistics in Transition: how to handle growing freight transport and the challenges ahead**' will take place at the Residence Palace in Brussels.

The first ELP event under the new term of the European Parliament is organised to address the key challenges facing the logistics sector, from digital transformation to sustainability, infrastructure and access to skills. The event is designed to create an open debate between industry and policy makers to find solutions to common problems and challenges.



Confirmed speakers include Prof. Alan McKinnon, Professor of Logistics, Kuehne Logistics University, Sandro Santamato, DG MOVE, Helder Velho, Director EU Transportation Services, Amazon and Leigh Pomlett, CEO of CEVA Logistics. Policy makers from the Commission, the European Parliament and the Finnish Presidency of the EU will also take part in the debates.

You can register [here](#). The programme is available for download [here](#).

ROMANIA TO GET EU COMMISSIONER FOR TRANSPORT PORTFOLIO

On 10 September, the European Commission's President-elect, Ms Ursula von der Leyen, presented her team and the new structure of the next Commission, officially proposing Romanian MEP Rovana Plumb for the position of EU Commissioner for Transport.



Ms Rovana Plumb was elected in May as a member of the European Parliament as well as the Vice-President of the S&D Group. Ms Plumb is a former national minister of environment, minister of labour, minister of European funds, minister of education, and minister of transport. She topped Romania's ruling Social Democratic Party's list of candidates in the EP elections.

As a next step, the Members of the EP have to give their consent to the entire College of Commissioners, including the High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the European Commission. This is preceded by hearings of the Commissioners-designate in the relevant Parliamentary committees, in line with the EP's Rules of Procedure. Ms Rovana Plumb will face a hearing in TRAN in the end of September or the first two weeks of October.

In the [mission letter](#) for the Commissioner-designate for Transport, President von der Leyen has outlined the Transport Commissioner's tasks for the next five years, aiming to ensure that European transport is sustainable, safe, affordable and accessible. These tasks include the following:

- Put forward a comprehensive strategy for sustainable and smart mobility;
- Extend the EU Emissions Trading System to maritime and reduce free allowances for airlines;
- Play a leading role in negotiations on global emission reduction within ICAO and IMO;
- Focus on mitigating the impact of transport on climate and natural environment, from emissions reductions to air, water and noise pollution;
- Contribute to the review of the Energy Taxation Directive to align it with EU's climate ambitions and bring an end to fossil-fuel subsidies;
- Promote connected and automated mobility, with a strong focus on digital innovation;
- Focus on a fair and functioning internal market for transport, aiming to complete the missing infrastructure links and the Trans-European Transport Network as swiftly as possible.
- Ensure the highest safety and security standards.

You can find all Commissioners-designate and the Mission Letters of President-elect Ursula von der Leyen [here](#).



Road

TRAN RESUMES WORK ON MP1

On 19 September, the EP's Transport Committee (TRAN) is hosting an extraordinary meeting to vote on the use of [Rule 61](#) of the EP's Rules of Procedure in relation to the three 1st Mobility Package files.

Since the political groups have this week internally confirmed their willingness to proceed rather than start from scratch (although with a very close majority), we understand this rule is a procedural step. By voting in favour on 19 September, the Members of TRAN would be asking the President of the EP to put MP1 back on the agenda. If this is the case, this means that the newly elected TRAN Committee is willing to continue working on the basis of EP reports adopted back in April.

An official vote to enter into trilogues with the Council and the Commission would then follow on 24 September. The more likely outcome remains that the vote will be positive and the mandate will be granted. In this case, the Finnish Presidency will organise the first trilogue meeting to present the three proposals together, which will be followed by separate examinations of the individual dossiers. It is likely that the negotiations start in mid-October, with a view to agreeing on a compromise in early 2020. There is no possibility for the current EU Transport Commissioner Violeta Bulc to close the file, although she expects at least the trilogues to start by the end of her term.

NEW STUDY ON THE IMPACT OF THE CURRENT MP1 PROPOSALS

On 12 September, Transport & Logistics Poland presented a new [study](#), which offers an expert evaluation on the consequences of MP1 proposals, as reformed by the Council and EP. The study was conducted by Prof Peter Klaus, who was the co-founder and head of the Fraunhofer Group for Supply-Chain Services.

Focusing on the industry insiders' perspective, the study confirmed and founded quantitatively the key concerns of CLECAT, namely the off-cabin weekly rest, the mandatory vehicle return, the restriction of cabotage and cross-trade operations, as well as the posting of drivers. If the current MP1 proposals were implemented and enforced, the study suggests that there would be cost increases, a loss of the transport system's flexibility and transport capacity availability disruptions.

The study therefore recommends opting for an "Industry Experts" scenario, allowing for further adjustments to the current proposals and the accommodation of the concerns by the transport and logistics industry. In particular, the author recommended to:

- Remove the weekly off-cabin rest-period proposal and substitute it with a powerful parking infrastructure initiative.
- Rather than making cross-trade operations infeasible, allow for an extended period of educating transport providers and their customers to adopt to better harmonised wage levels, the professionalisation of small business trucking management, as well as fully harmonised and simplified labour regulations between the EU countries.
- Prioritise legislative efforts on EU-level simplification and harmonisation, rather than supporting national protectionism by giving priority to national rules.
- Promote new models for the operation of long-haul transport routes, such as "relay" types of operations and sharing in intermodal routes.



“With these recommendations, the European road transport industry could continue on a path of supporting the integration and growth of European economies without disruptions, and of a gradual professionalization of the transport and logistics sectors for the benefit of its customers, its drivers, and of progress towards the objectives of better safety, working conditions and sustainability,” concluded the author.

Maritime

US FMC APPROVES FINAL RECOMMENDATIONS ON D&D

Following an investigation into the demurrage and detention (D&D) practices, the US Federal Maritime Commission (FMC) announced on 6 September that it had unanimously approved interpretive rulemaking recommendations with respect to D&D fees.

The FMC adopted a series of [recommendations](#) stemming from the 18-month investigation led by the US Maritime Commissioner Rebecca Dye, entitled The Fact Finding 28. The key recommendation was to publish an interpretive rule that clarifies how the Commission will assess the reasonableness of the D&D practices. The main change this would bring is that charges be suspended in cases when shippers and their 3PLs are prevented from moving cargo out of terminals by factors beyond their control. Other proposals from Ms Dye include the establishment of a shipper advisory board to report on how FMC policies are affecting US importers and exporters.

“The rule flows from the longstanding principle that practices imposed by tariffs, which are implied contracts by law, must be tailored to meet their intended purpose. In the case of demurrage and detention charges, the purpose is to act as financial incentives to cargo interests to retrieve cargo and return equipment [within the time allotted]. Absent extenuating circumstances, however, when incentives no longer function because shippers are prevented from picking up cargo or returning containers within time allotted, charges should be suspended,” Ms Dye explained.

The interpretive rule will incorporate the general guidance contained in the [Fact Finding 28 Final Report](#), published in December 2018. In that report, a Commissioner Dye-led innovation team recommended promoting standardised definitions of detention and demurrage, simplifying dispute resolutions and fee billing practices, providing guidance on what evidence is needed for dispute resolution, and keeping the industry informed on container availability and equipment returns.

Source: [US FMC](#)

Air

EU POSITION ON ICAO DECLARATION ON AVIATION SECURITY

On 5 September, the Council’s Working Party on Aviation reached an agreement on the input to be provided on behalf of the European Union and its Member States to the 40th Assembly of the International Civil Aviation Organisation (ICAO). The agreement relates to the text of the Information



paper presented by the Commission outlining a declaration on aviation security. After reaching an agreement, the Working Party decided to submit it to the Permanent Representatives Committee (COREPER) and Council for final endorsement.

The EU's input on the draft new declaration on aviation security suggests, *inter alia*, to promote awareness of threats and risks to civil aviation, continue to develop and share new and innovative approaches to strengthen aviation security and counter ongoing emerging threats. It also suggests taking a comprehensive view of aviation security and other aviation disciplines, maintaining effective coordination among their different bodies to ensure consideration of all appropriate information, and assessment of the consequences of any measures on civil aviation activities.

Subject to confirmation by COREPER, Council is invited to confirm the text and authorise the Presidency to submit the paper on behalf of the EU and its Member States to the 40th Assembly of ICAO, which will take place between 24 September and 4 October 2019. The European input is jointly prepared by the EU and the European Civil Aviation Conference (ECAC).

Source: [Council of the European Union](#)

Customs & Trade

AEO TRANSITION TO ONLINE SYSTEM

As of 1 October 2019, it will become mandatory for companies to submit the AEO application together with the Self-Assessment Questionnaire (SAQ) electronically through the [EU Trader Portal for eAEO](#). The EU harmonised trader interface is designed by the EU Commission and the Member States for the exchange of information pertaining to applications and decisions related to AEO authorisations.

The EU Trader Portal for e-AEO will be deployed in two phases: Phase 1 for the submission of the AEO application and the decision-taking process, from 1 October 2019 and Phase 2 for the other subsequent processes, from 15 December 2019.

The transition period (and the exceptional paper procedure) is planned as follows: if a procedure is initiated on paper before 1 October 2019, the procedure continues on paper. If it is initiated electronically from 1 October 2019 onwards, it continues electronically. There will be a transition period after 1 October 2019 to allow the processing of existing paper applications not accepted yet. The transition period will be 60 days, until 29 November.

More practical information on how to apply for AEO status electronically can be found [here](#).

Source: [European Commission](#)

INCOTERMS® 2020

On 10 September, the International Chamber of Commerce (ICC) launched Incoterms® 2020. The new edition aligns different levels of insurance coverage in Cost Insurance and Freight (CIF) and Carriage and Insurance Paid To (CIP). It further includes arrangements for carriage with own means of transport in FCA, Delivery at Place (DAP), Delivery at Place Unloaded (DPU), and Delivered Duty Paid (DDP).



Incoterms® 2020 introduces a change in the three-letter name for Delivered at Terminal (DAT) to DPU and also includes security-related requirements within carriage obligations and costs. Notably, Incoterms® 2020 provides for demonstrated market need in relation to bills of lading (BL) with an on-board notation and the Free Carrier (FCA) Incoterms® rule.

The new edition also includes more detailed explanatory notes with enhanced graphics to illustrate the responsibilities of importers and exporters for each rule. And it includes a more detailed explanation on how to choose the most appropriate rule for a given transaction, or how a sales contract interacts with ancillary contracts.

Source: [International Chamber of Commerce](#)

Brexit

UK NO-DEAL BREXIT PREPAREDNESS

The UK government has launched a '[Get Ready for Brexit](#)' public information campaign, starting from Monday 16 September, to help ensure the general public and businesses are ready when the UK leaves the EU on 31 October 2019. A new [checker tool](#) will help businesses to identify quickly what they need to do to 'Get Ready for Brexit'. As part of the campaign, there will be 30 'Get Ready for Brexit' events across the country for businesses and organisations. The [Brexit Business Readiness Events](#) website provides for registrations and further information on the upcoming events.

In addition, the UK government has further updated several Brexit preparedness guidance notices including:

- [Exporting animals and animal products in a no-deal Brexit](#);
- [Register for simplified import procedures in a no-deal Brexit](#);
- [UK border inspection posts: contact details](#);
- [Help and support for traders in a no-deal Brexit](#).

In light of the large number of notices published by the UK Government, CLECAT advises its Members to [subscribe to the UK Government's website](#) to receive updates by email and remain informed.

Sustainable Logistics

FINLAND SIGNS THE HIGH AMBITION DECLARATION ON SHIPPING

As one of the first EU countries, Finland has earlier this month signed the High Ambition Declaration on Shipping. By joining forces, Finland, France and other UN signatory countries stress the need of finding efficient measures to reduce greenhouse gas emissions in the shipping sector before 2023 and ensuring that the level of emissions starts declining as soon as possible.

The Declaration, discussed at the G7 Meeting in Biarritz, France, calls upon the countries to commit to achieving the goals of the GHG reduction strategy of the International Maritime Organisation (IMO).



According to the strategy, the total GHG emissions from international shipping should peak as soon as possible and be reduced by at least 50% by 2050 compared to 2008, while pursuing efforts towards phasing them out entirely.

“We want the IMO Member States to work for the common goals in reducing emissions in shipping and we want to proceed in the negotiations. In many EU countries, including Finland, innovations are constantly generated to reduce emissions in shipping and reduce the use of fossil fuels. Finland wants to encourage other countries and can help find efficient ways to swiftly reduce emissions in international shipping,” said the Finnish Minister of Transport and Communications, Ms Sanna Marin.

The Declaration is a message by the signatory countries to the UN Climate Action Summit, to be held on 23 September. The Declaration is also meant to speed up the negotiations at the IMO. The next occasion for discussing the emissions reduction measures in the shipping sector will be at a meeting of the GHG working group of the IMO Marine Environment Protection Committee (MEPC) in London this November. At the EU level, Finland, which is currently holding the Presidency of the Council, will coordinate the EU position for the meeting. At Finland’s initiative, the climate impact of shipping and other transport modes will also be discussed during the EU Transport Council on 20 September.

Source: [Finnish Ministry of Transport](#)

Forthcoming events

CLECAT MEETINGS

CLECAT Road Logistics Institute (web meeting)

16 September, online

CLECAT/FIATA Rail Institute

25 September, Brussels

CLECAT Customs and Indirect Taxation Institute

13 November, Brussels

CLECAT Freight Forwarders Forum 2019

14 November, Brussels

CLECAT Board/GA

15 November, Brussels

OTHER EVENTS WITH CLECAT PARTICIPATION

Irish Brexit Seminar

18 September, Dublin

ELP Event ‘Logistics in Transition’

25 September, Brussels



FIATA World Congress
1-9 October, Cape Town, South-Africa

Digital Transport Days
7-9 October, Helsinki

Maritime Economy Forum 2019
11 October, Gdynia

ELETA Project Final Conference
5 November 2019, Brussels

Smart Ports Smart City Expo World Congress
19-21 November 2019, Barcelona

EP/COUNCIL MEETINGS

European Parliament Plenary
16-19 September, Strasbourg

European Parliament TRAN Committee
19 September, Brussels (extraordinary)
23-24 September, Brussels

EU Transport Council (focus on climate change)
20 September, Brussels

EU Transport Council
2 December, Brussels

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