

Table of content

FREIGHT FORWARDERS FORUM 2019 – ‘LOGISTICS FOR EUROPE’	P 1	EU COUNCIL POSITION ON EU AND IMO MRV RULES ALIGNMENT	P 4
LOGISTICS FOR EUROPE	P 2	IMO 2020 RULE TO LEAVE CONTAINER SHIPPING LINES WITH US\$11B FUEL BILL	P 5
COREPER I TO DISCUSS NEW NEGOTIATING MANDATE FOR MP1 TRILOGUES	P 2	PSCG MEETS AT WCO	P 5
TRANSPORT MINISTER CALLS ON DB TO IMPROVE RAIL FREIGHT	P 3	2019 UPDATE OF THE EU CONTROL LIST OF DUAL-USE ITEMS	P 6
RECOMMENDATIONS TO MAINTAIN EUROPE’S GLOBAL LEADERSHIP	P 3	EIB TO INVEST €2.5 BILLION IN SUSTAINABLE OCEAN PROJECTS	P 6

Brussels News

FREIGHT FORWARDERS FORUM 2019 ‘LOGISTICS FOR EUROPE’

CLECAT’s annual Freight Forwarders Forum entitled “**Logistics for Europe**” will take place on the 14th of November at the Residence Palace in Brussels. The Forum will address new and outstanding questions:

- How to move forward in completing the internal market to ensure the EU remains a competitive place for logistics?
- What role should the EU play in the harmonisation of IT and data standards to encourage further digitalisation and exchange of data?
- How can the EU guarantee workable legislation in road transport whilst supporting increased efficiencies?
- How to handle growing freight transport needs whilst reducing emissions? How can smart solutions support the climate objectives in the era of the Green deal?



Confirmed speakers include:

- **Henrik Hololei**, Director General, DG MOVE
- **Maria Rautavirta**, Director of Data Business Unit, Finnish Ministry of Transport and Communications
- **Thomas Bagge**, Managing Director & CEO, Digital Container Shipping Association, DCSA
- **Roderick de la Houssaye**, CEO, Nedcargo
- **Edgar Uribe Casillas**, Global Head of Environment and Sustainability, Kuehne + Nagel
- **Alexandre Pacquot**, Head of Unit, DG CLIMA
- **Erkki Valtonen**, Managing Director Finland, Blue Water Shipping
- **Sergio Barbarino**, Research Fellow, Procter & Gamble

- **Lia Potec**, Policy Officer, DG MOVE, European Commission
- **Matjaž Auflič**, TRINET informatika

The outline of the programme is available [here](#). The conference is free to [register](#) and attend.

LOGISTICS FOR EUROPE



The '[Logistics for Europe](#)' initiative is still open for companies and associations supporting a well-functioning Single Market.

Supporters of the campaign believe that business needs a stronger Europe through further opening of markets and harmonisation, as well as removing barriers instead of creating new ones. 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. Europe is the world's most globally connected region and a leader in trade flows and the movement of people. The EU should continue to lead the way by remaining a world champion of open and free trade, as well as an engine for growth.

Companies and associations willing to support the initiative are invited to provide their logo to the initiative through [this link](#) or to send their logo to canu@clecat.org.

CLECAT will conclude the 2019 Freight Forwarders' Forum with a handover of a Memorandum on the 'Logistics for Europe' initiative including the logos of supporting companies and associations.

More information is available at the [CLECAT conference webpage](#).

Road

COREPER I TO DISCUSS NEW NEGOTIATING MANDATE FOR MP1 TRILOGUES

The Committee of the Permanent Representatives of the EU Member States (Coreper I), the Council's main preparatory body comprising the deputy heads of mission of each Member State, met today to discuss the social and market access pillars of the 1st Mobility Package. The main objective of the meeting was to approve a new negotiating mandate for the next round of trilogues on the package in early November.

Earlier this week, the Prime Ministers of Bulgaria, Romania, Latvia, Poland, Hungary and Lithuania sent an [official letter](#) to the current and future leaders of the European Parliament, Commission and Council. In the letter, the PMs expressed their concern with "certain new provisions in the proposals, which were put forward under severe time pressure and were not supported by proper and extensive impact assessment." The letter further elaborated that these provisions, which have critically changed the substance of the proposals, contradict the initial objectives of the 1st Mobility Package and run the risk of creating unnecessary East-West divisions in the EU.



The most evident and contradictory measures in the proposals, according to the six PMs, are the obligation for trucks to return to the Member State of establishment every four weeks, as well as the restriction on cabotage operations. These provisions will result in the increased number of empty truck trips, generating unnecessary additional CO2 emissions and thus going against the EU climate policy goals, the letter argued. Another proposal lacking proper assessment, highlighted by the ministers, relates to the application of posting of workers rules to the road transport sector. The current interpretation as envisaged by the co-legislators is contradictory to the EU basic freedoms and will have a negative impact on the EU Single Market, the letter claimed.

Ultimately, the ministers called on the co-legislators to carefully re-assess the MP1 proposals and conduct impact assessments of all critical legislative amendments before advancing negotiations further. “We expect that it will be possible to find well-assessed and acceptable solutions for all Member States to effectively and adequately modernise the EU road transport sector, increase competitiveness, preserve the Single Market and reach ambitious climate goals,” said the ministers.

Rail

TRANSPORT MINISTER CALLS ON DB TO IMPROVE RAIL FREIGHT

Earlier this week, the German Minister for Transport and Infrastructure, Andreas Scheuer, called on Deutsche Bahn to solve ongoing problems with rail freight faster and more efficiently. In a letter sent to the CEO of Deutsche Bahn, the Minister asks for concrete measures against delays, train cancellations and staff shortages by 14 November.

In the letter, Minister Scheuer addresses several areas where far-reaching changes are urgently needed. Regarding rail freight traffic, which is bundled in the DB Cargo group division, Minister Scheuer listed the following deficiencies: stationary trains, poor vehicle material, lack of personnel, non-functioning production structure. Regarding the rail network, Minister Scheuer also demanded that the federally owned group should maintain a resilient timetable for infrastructure maintenance, which was progressing too slowly and should also be expanded. Medium- and long-term announcements must be implemented much quicker.

Source: [Sueddeutsche Zeitung](#)

RECOMMENDATIONS TO MAINTAIN EUROPE’S GLOBAL LEADERSHIP

On 21 October, the EU expert group on competitiveness of the EU Rail Supply Industry endorsed several recommendations in order to maintain the global leadership of the rail supply industry. The recommendations envisage additional measures while ensuring synergies with the policy measures already in place to meet the current challenges of the rail supply industry.

The recommendations are addressed to the whole rail sector, Member States, the European Commission, European standardisation organisations and EU bodies. They cover ten policy areas, including, *inter alia*, digitalisation, innovation, skills and training, internal market, standardisation, and EU public procurement.

Amongst its main recommendations, the report calls for continued support for transforming Europe's rail system, in particular through the development of the European Railway Traffic Management



System (ERTMS), as well as through the continuation of an institutionalised partnership on rail innovation and research. Within the next 2021-2027 multiannual financial framework, the report calls for strengthening the EU programmes that support innovation and the deployment of climate-neutral, energy-efficient and user-oriented transport systems, especially railway and urban rail projects.

Source: [European Commission](#)

Maritime

EU COUNCIL POSITION ON EU AND IMO MRV RULES ALIGNMENT

On 25 October, the EU Member States agreed on their position on a proposal, which updates the existing EU rules on the monitoring, reporting and verification of CO₂ emissions from maritime transport and partially aligns them with the global data collection system for ship fuel oil consumption of the International Maritime Organisation (IMO).

As of 2019, ships performing EEA-related maritime transport activities have to fulfil monitoring and reporting requirements under two systems: the 2015 EU's MRV (monitoring, reporting, verification) Regulation and the global 2016 IMO's DCS (data collection system). The Council has agreed that partly aligning the definitions, the monitoring parameters and the monitoring plans and templates of the MRV regulation contributes to reducing the administrative burden for shipping companies and national authorities and facilitates compliance with the reporting obligations under the two systems. However, the Council believes that the monitoring and reporting of cargo carried should remain compulsory as this information contributes to a better understanding of the fuel efficiency of ships. This is in contrast with the original Commission's proposal to turn cargo carried into a voluntary reporting element. Eventually, the Council also added a clause which asks the Commission to review the functioning of the regulation.

"The maritime transport sector has to become more energy efficient and use less fuel to contribute to EU climate goals. We want companies to know how much fuel each ship uses. This means we will be able to compare ships' emissions and choose more energy efficient ones. This has environmental benefits. We are also looking to the future, as we are asking the Commission to review this regulation in light of further experience gained," said Krista Mikkonen, the Minister of Environment and Climate of Finland.



The agreement reached among the ambassadors of EU Member States at the Committee of Permanent Representatives (Coreper I) means that the Council is ready to start negotiations with the European Parliament. To note, the EP has not yet reached a position on this proposal.

The full text of the Council position will become available on the Council's website within a few days.

Source: [Council of the EU](#)



IMO 2020 RULE TO LEAVE CONTAINER SHIPPING LINES WITH US\$11B FUEL BILL

DREWRY Shipping Consultants estimates container shipping lines will face an US\$11 billion fuel bill next year on account of the switch to low sulphur marine fuel in order to meet the International Maritime Organization's (IMO) new rule that caps sulphur content to 0.5 per cent from January 1. As a result, carriers will likely pass on the extra fuel costs to shippers. If they fail to foot the bill, the carriers are expected to cut service levels.

The degree of compensation that carriers receive from shippers will dictate the level of service disruption during 2020, according to Drewry's senior manager of container research, Simon Heaney. "Our working assumption is that carriers will have more success in recovering that cost than previously, to the point that there will be no major disruption to supply. Most shippers accept that they will have to pay more but they rightly expect any increase to be justified with a credible and trusted mechanism - in other words, the ball is very much in the carriers' court," said Mr Heaney. If the ocean liners do fall short in recovering IMO 2020 fuel costs from customers by a significant margin, "there will be much less focus by carriers on service quality and more on cost cutting," said Mr Heaney.

"In that scenario, carriers will try to protect cash flows by restricting capacity as best they can, through a combination of measures, including further slow-steaming, more blank sailings and off-hiring of chartered vessels." There also could be a push by lines to equip ships with scrubbers to avoid the premium pricing on low sulphur fuel. Vessel demolition rates could speed up, too. "If events follow this path, the supply-demand balance will look very different from our current forecast," said Mr Heaney. "The worst-case scenario, when most shipping lines cannot operate close to breakeven and some potentially face bankruptcy, would actually be a far quicker route to rebalancing the market than the current plodding track. "It would take a very brave carrier to want such a turn of events, but for those that could be sure of coming through the other side, after some initial pain the rewards would be far greater."

Customs & Trade

PSCG MEETS AT WCO

On 21-22 October, CLECAT represented FIATA at the Private Sector Consultative Group (PSCG) meeting, held at WCO Headquarters in Brussels. The meeting gathered twenty-four representatives of the private sector, including several new members.

Following introductory remarks by the WCO Deputy Secretary General, Mr. Ricardo Treviño Chapa, and an orientation session for the new members, the Group discussed matters relating to the review of the Revised Kyoto Convention and of the Harmonized System, as well as to Free Trade Zones and regional private sector groups' concerns. Notably, the Group's representatives agreed to create a vision document on



the future of Customs, in order to support the WCO's work in this area. In addition, 14 members of the Group, representing a variety of supply chain operators, reiterated their commitment to continue the ongoing work of the PSCG on the Future of the SAFE Framework of Standards.

The PSCG was formed for the purpose of informing and advising the WCO Secretary General, the Policy Commission and WCO Members on Customs and international trade matters from the perspective of the private sector.

Source: [World Customs Organization](#)

2019 UPDATE OF THE EU CONTROL LIST OF DUAL-USE ITEMS

Last week, the European Commission adopted the annual [Delegated Regulation](#) that updates the EU dual-use export control list in Annex I to [Regulation \(EC\) No 428/2009](#) and brings it in line with the decisions taken within the framework of the international non-proliferation regimes and export control arrangements in 2018.

The Commission also provided a comprehensive summary note that provides a [detailed overview of all technical changes](#). The changes introduced result from amendments agreed at the Wassenaar Arrangement and from amendments agreed at the Missile Technology Control Regime. There are also other changes that are substantially editorial and for the correction of minor errors.

The Regulation will enter into force upon its publication approximately two months after its adoption, provided that the Council and the European Parliament raise no objections within this period.

Source: [European Commission](#)

Sustainable Logistics

EIB TO INVEST €2.5 BILLION IN SUSTAINABLE OCEAN PROJECTS

At the Our Ocean conference, held on 24 October in Oslo, the European Investment Bank (EIB) launched the Blue Sustainable Ocean Strategy to enhance the sustainability of ocean-related activities, including green shipping, whilst preserving the state of oceans and coastal environments.

The EIB has committed to more than double its lending to sustainable ocean projects and invest €2.5 billion over the next five years. This funding is expected to mobilise at least €5 billion of public and private investment for the sustainable blue economy.

The EIB will increase its technical assistance and advisory services to make clean and sustainable ocean projects more attractive for investors and scalable for economic development. Companies and businesses, alongside city authorities and development institutions, will be able to benefit from long-term loans, equity investments and other financial instruments. In terms of green shipping, projects that reduce emissions in the shipping industry, such as new ships that use less energy and cleaner fuels, will be eligible for EIB funding, as well as those projects improving the existing ships with green technologies which are better for the environment.

Source: [EIB](#)



Forthcoming Events

CLECAT MEETINGS

CLECAT Sustainable Logistics Institute

13 November, Brussels

CLECAT Road Logistics Institute

13 November, Brussels

CLECAT Customs and Indirect Taxation Institute

13 November, Brussels

CLECAT Maritime Logistics Institute

14 November, Brussels

CLECAT Freight Forwarders Forum 2019

14 November, Brussels

CLECAT Board/GA

15 November, Brussels

OTHER EVENTS WITH CLECAT PARTICIPATION

ELETA Project Final Conference

5 November 2019, Brussels

Roundtable on Safe and Secure Truck Parkings

6 November 2019, Brussels

Smart Ports Smart City Expo World Congress

19-21 November 2019, Barcelona

EP/COUNCIL MEETINGS

European Parliament Plenary

13-14 November, Brussels

25-28 November, Strasbourg

European Parliament TRAN Committee

6 November, 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

 [@CLECAT_EU](https://twitter.com/CLECAT_EU)

www.CLECAT.org



European association for forwarding,
transport, logistics and customs services

