

Table of content

GETTING ZERO-EMISSION TRUCKS ON THE ROAD	P 1	CLECAT CUSTOMS INSTITUTE ELECTS NEW CHAIR	P 5
GEERT PAUWELS RECEIVES EUROPEAN RAILWAY AWARD 2020	P 2	COUNCIL ADOPTS NEW EU VAT MEASURES	P 5
COMMISSION ON UPGRADING THE EU RAILWAY SECTOR	P 3	WCO CONCLUDES OUTSTANDING WORK ON E-COMMERCE	P 6
DEVELOPING PATHWAYS TO ZERO-EMISSION VESSELS	P 3	WTO TRADE POLICY REVIEW: EUROPEAN UNION	P 6
EXCHANGE OF VIEWS ON SINGLE EUROPEAN SKY	P 4	FORTHCOMING EVENTS	P 7

News from Brussels

GETTING ZERO-EMISSION TRUCKS ON THE ROAD

CLECAT joined a discussion entitled “Getting Zero-Emission Trucks on the Road”, organised in Brussels on 19 February, which pondered the electrification options for city deliveries and regional transport, as well as solutions that exist to power long-haul trucks. The event was hosted by the research group T&E, which recently launched a new [Roadmap for Electric Truck Charging Infrastructure Deployment](#).



Mr Alexandre Paquot, Head of the Road Transport Unit at DG CLIMA, gave a key note address. He announced that, via the EU Climate Law to be rolled out in the coming weeks, the 2030 EU emissions reduction ambition will have to be topped up to 50-55%, with numerous legislative proposals to be published in June 2021 to implement this plan. The Commission estimated that a 90% transport emissions reduction is needed to reach carbon-neutrality by

2050, which requires an integrated approach encompassing the roll-out of zero-emission vehicles and the uptake of decarbonised fuels, as well as better efficiency of the whole European transport system. In order to deliver on freight transport decarbonisation, an important milestone has already been taken with the new emission standards for HDVs but the right charging/refuelling infrastructure will have to be put in place as fast as possible. The pricing will also be looked at via the conclusion on the Eurovignette Directive, the review of the Energy Taxation Directive and the possible inclusion of road transport into EU ETS.

Mr Henrik Engdahl, Chief Engineer Charging at the Volvo Group, explored the future of battery electric trucks. He argued that electric trucks in commercial traffic are a viable option as the technology is ready and life cycle energy efficient, with limited initial investment required. The very first electric

vehicles are already being put on the road for city logistics, with the next step being regional trucking. Although the regional trucks are not yet in production, they are expected to be deployed in near future, while the more demanding long-haul trucks will require more time. Speaking of the electric charging infrastructure, success depends on a stream of vehicles utilising it, supply of electric energy, funding and conversion of fossil-fuelled vehicles, as well as the removal of regulatory, technical and operational barriers, explained Mr Engdahl, highlighting that “perhaps the most important is the initial deployment of sufficient scale”.

Mr Michael Lohmeier, VP eMobility at DP DHL Group, presented company experiences and future plans with respect to the electrification of urban fleets. The e-vehicle key benefits, according to Mr Lohmeier, include the reduced total cost of ownership, increased reliability, operational simplification, secured mobility needs, power demand reduction and additional energy trading revenues.

The following panel discussion focused on the user’s perspective and the role of regulation. The panellists agreed that going electric, in combination with alternative technologies such as hydrogen, is the way forward but the lack of reliable supply of electric vehicles and charging infrastructure makes it highly problematic. It is also difficult to make e-mobility efficient as electric trucks are not yet suitable for long-haul transport. As such, the regulators need to drive the agenda in terms of sufficient investment in infrastructure, decreasing the total cost of ownership of zero-emission technologies and helping guarantee the reliable supply of zero-emission vehicles. Mr Herald Ruijters, Director at DG MOVE, agreed that financing is key and that on specific segments the Commission will need to intervene with certain guarantee mechanisms.

Rail

GEERT PAUWELS RECEIVES EUROPEAN RAILWAY AWARD 2020



Earlier this week, CLECAT joined the 2020 European Railway Award, during which the award was presented to Geert Pauwels, for successfully developing a strategy making rail freight a profitable business, thereby boosting the attractiveness of rail freight and encouraging a modal shift from road to rail. As CEO of LINEAS, Geert Pauwels succeeded in restructuring the Belgian indebted freight incumbent into a modern, successful company, backed up by private investments. Furthermore, he has promoted the development of innovative

services with a flexible transport offer, thereby boosting the attractiveness of rail freight and encouraging a modal shift from road to rail.

The evening started off with a round-table discussion on the theme of ‘Working with rail for greener European mobility’ with the participation of top EU transport policymakers and rail sector stakeholders. European Commission Director-General for Mobility and Transport (DG MOVE), Henrik Hololei, highlighted: “Rail must and – I am sure – will play a big role in delivering the European Green Deal. In particular, it must take a large part of the 75% of land freight which currently goes by road. This means that the existing barriers must be overcome, the Single European Rail Area finally



delivered, and the share of rail freight increased.” He also noted that there was a need to break prejudices on level-playing field, as all modes of transport pay their way. First organised in 2007, the European Railway Award celebrates and recognises the political and technical contributions of accomplished individuals to the rail sector.

COMMISSION ON UPGRADING THE EU RAILWAY SECTOR

EU Commissioner for Transport, Ms Adina Vălean, responded earlier this month to a Parliamentary question on the options available to the Commission in terms of upgrading the rail system in those parts of the European Union that are significantly lagging behind average European levels of rail sector development.

She noted that through the trans-European transport network (TEN-T) policy, the EU aims to build an effective EU-wide transport infrastructure network. Implementation of the TEN-T policy is supported by the Commission main instruments, namely, Connecting Europe Facility (CEF) for Transport, the Cohesion Fund (CF) and European Regional Development Fund (ERDF), which aim at supporting investments in building new transport infrastructure in the EU or rehabilitating and upgrading of the existing one.

Interventions aiming at upgrading the rail system which are located on the core and/or comprehensive network and have a strong European added value, e.g. they address cross-border section and/or bottleneck and/or missing link, may be funded, in centralised management, by CEF. So far, 324 railways actions have been supported (41% of the total CEF Transport actions), for an overall CEF Transport funding of €15.5 billion (70% of the total CEF Transport funding).

Out of these 324 actions, 122 actions, for an overall CEF Transport funding of €8.9 billion, have beneficiaries from the 15 countries concerned by the Cohesion fund. Through this amount, a large number of key projects are being implemented. More information is available on the [Innovation and Networks Executive Agency \(INEA\) website](#).

Furthermore, financial support is available from the Cohesion Fund and the ERDF. In the current period, €18.5 billion have been programmed in co-funding for rail investment, out of which €12.5 billion are dedicated to TEN-T rail infrastructure.

Source: [European Commission](#)

Maritime

DEVELOPING PATHWAYS TO ZERO-EMISSION VESSELS

On 19 February, CLECAT attended an event entitled “From Targets to Transition: Developing the Pathways to Zero-Emission Vessels”, which took place as part of the European Shipping Week 2020 in Brussels. At the event, industry stakeholders, together with European regulators, discussed the essential research, development and implementation pathways needed to secure a carbon-free future for deep-sea shipping.

Ms Beatrice Yordi, Director at DG CLIMA, provided a key note address on the place of research and development within the European Commission’s Green Deal, stating that research was a key condition



to advance on the ambitions to decarbonise European maritime sector by 2050. There was also a need to mobilise the whole chain, including carbo owners, logistics service providers, carriers and ports. Following up, Ms Dagmar Nelissen, a leading researcher from CE Delft, outlined the scientific and deployment pathways that must be embarked on to make zero-emission ocean going vessels a reality. She concluded that further R&D was necessary for the decarbonisation of maritime sector, especially with regards to alternative fuels (but a market for alternative fuels will also have to be created). Further R&D can also be expected to reduce the costs of the decarbonisation, she added.

As part of the shipping decarbonisation efforts, the [shipping industry's proposal](#) to the International Maritime Organisation (IMO) to establish an International Maritime Research and Development Board (IMRB) to fund and guide that transition was explained by Mr John Butler, the President & CEO of the World Shipping Council. In the proposal, the co-sponsors (shipping companies) suggest that the core funding of approximately USD 5 billion over the life of the programme would be provided via a mandatory R&D contribution per tonne of fuel oil purchased for consumption, with a view to identify one of more technical pathways to the introduction of zero-emission ships by 2030 and beyond. "It is crucial that EU Member States support the proposal for a new billion-dollar fund when it will be debated at the IMO in late March, as the EU has a very loud voice at the IMO," emphasised Mr Butler.

Leading contender technologies, ammonia and hydrogen, were then considered by Mr Tim Scarbrough, Associate Director at Ricardo. Eventually, a panel of senior executives from four largest ocean carriers, CMA CGM, Maersk, Mediterranean Shipping Company and Hapag Lloyd, discussed what the right research and development initiatives could do for their decarbonisation strategies. The panellists agreed that the higher-level IMRB fund would remain complimentary to internal R&D efforts; however, it was not a matter of competition but rather joint effort, which must lead to tangible and scalable results.

Air

EXCHANGE OF VIEWS ON SINGLE EUROPEAN SKY

On 19 February, the European Parliament's Transport and Tourism (TRAN) Committee exchanged views with Mr. Eamonn Brennan, the Director General of EUROCONTROL on multiple issues related to air traffic management.

The [presentation](#) given by EUROCONTROL contained figures and examples of the difficulties perceived by the air traffic network in dealing with the rising demand of flights in Europe. In referring to the fact that the European airspace is fragmented, Mr Brennan pointed out that there is a lack of a real network, leading to longer and lower routings. Furthermore, Air Traffic Control (ATC) bottlenecks were persistent. He also referred to the findings of the Wise Persons Group in the [report on the future of the Single European Sky](#), which contains recommendations on four priorities, namely: a more network-centric approach; digitalisation; evolving tasks, requirements and training of air traffic controllers; and simplifying the regulatory framework. CLECAT reported about the recommendations of the Wise Persons Group (NL 2019/38), which were welcomed by the Transport Council in their policy debate on the future of the Single European Sky, on 2 December 2019.

Presenting the aims of EUROCONTROL in 2020 and beyond, it was noted that EUROCONTROL would support the Single European Sky and coordinate with partners; support states and industry on



technical expertise and coordination, as well as help in delivering a sustainable approach to aviation. CLECAT continues to call for the completion and effective implementation of the Single European Sky.

Customs & Trade

CLECAT CUSTOMS INSTITUTE ELECTS NEW CHAIR



Earlier this week, the Customs and Indirect Taxation Institute (CITI) of CLECAT elected its new chair, Dimitri Serafimoff, Director at Portmade, nominated by Forward Belgium, and vice-chair, Olivier Thouard, Director Customs and Tax, at GEFCO, nominated by TLF. Mr Jean-François Auzéau was thanked for serving the Customs Institute of CLECAT over recent years with dedication and good guidance. The CITI discussed a broad range of topics including UCC implementation, guarantees, origin issues, import and export

formalities, customs simplifications (EIDR, Centralised Clearance, Simplified Declaration and Self-Assessment) and eCommerce.

There were equally discussions on the new Official Controls Regulation (veterinary and phytosanitary checks) and national developments. Members received updates on IT developments with regards to ICS2, the automated exports system (AES) and NCTS-5 etc. Last but not least, VAT and BREXIT were discussed.

COUNCIL ADOPTS NEW EU VAT MEASURES

On 18 February, the Council of the EU [adopted simplified rules for small businesses](#), which will apply as of 1 January 2025. The existing VAT system foresees that VAT exemption for small enterprises is only available to domestic players. The reform agreed this week will enable a similar VAT exemption to be applied to small enterprises established in other member states. The text foresees that small enterprises will be able to qualify for simplified VAT compliance rules where their annual turnover remains below a threshold set by a Member State concerned, which cannot be higher than 85 000 EUR. Under certain conditions, small enterprises from other Member States, which do not exceed this threshold, will also be able to benefit from the simplified scheme, if their total annual turnover in the whole of the EU does not exceed 100 000 EUR.

The Council of the EU also [adopted new measures](#) to transmit and exchange payment data in order to fight e-commerce VAT fraud. The new regime on the exchange of payment data will reinforce the capacity of Member States to fight against e-commerce VAT fraud by launching a Central Electronic System of Payment information (CESOP). As of 2024, CESOP will keep records of cross-border payment information within the EU, as well as payments to third countries or territories, for a period of five years. This will allow tax authorities to properly control the correct fulfilment of VAT obligations on cross-border Business to Consumer (B2C) supplies of goods and services.

Source: [Council of the EU](#)



WCO CONCLUDES OUTSTANDING WORK ON E-COMMERCE

From 12 to 14 February, CLECAT represented FIATA at meeting of the WCO Working Group on e-Commerce (WGEC), held at the WCO Headquarters in Brussels. The meeting brought together close to 120 delegates from Member Customs administrations, partner international organizations, representatives of the postal and express service industry, e-vendors, e-commerce platforms, logistics service providers, Customs brokers and technology service providers.

The meeting had the important task to finalise the three outstanding Annexes to the Technical Specifications of the Framework of Standards on Cross-Border E-Commerce (FoS): Reference Data Set for E-Commerce; Revenue Collection Approaches; and E-Commerce Stakeholders: Roles and Responsibilities. Through constructive engagement, the meeting succeeded in completing and endorsing the remaining work. The WGEC also examined a draft decision on the update/maintenance mechanism of the E-Commerce FoS and discussed the implementation of the FoS by Members. In this regard, the WGEC examined possible draft indicators on implementation of the E-Commerce FoS with the ultimate objective of achieving an expeditious and harmonized implementation of the FoS.



The outcomes of the meeting will be presented to the April 2020 Permanent Technical Committee (PTC) and to the June 2020 Policy Commission and Council for endorsement. The future work in the area of cross-border E-Commerce will be carried out by the PTC and the Enforcement Committee as per their respective mandates.

Source: [World Customs Organization](https://www.wcoomd.org/)

WTO TRADE POLICY REVIEW: EUROPEAN UNION



On 18 February, WTO Members met for the first day of the 14th Trade Policy Review of the European Union (EU28) covering policy and legislative developments and achievements for the period 2017-2019. The Trade Policy Review (TPR) Mechanism is the most important

transparency exercise of the WTO. It allows for a profound and systematic examination of the trade policies of WTO Members and ensures their accountability.

This 14th Trade Policy Review report of the EU covers developments in EU trade policy during the period March 2017 - September 2019. The report finds that the EU economy had performed well in 2017-2018 but slowed somewhat in the second half of 2018 due to several factors, including weakness in the manufacturing sector, escalating trade tensions, and the prospect of the United Kingdom's withdrawal from the EU. The share of the EU in world trade in goods and services was 16.7% in 2017-2018 and has been on a declining trend during the last two decades. The EU however remains the most important trading partner for some 80 economies. The United States, China and Switzerland continued to be the main destinations of EU merchandise exports.

The report also reflects on the implementation of the Union Customs Code (UCC), where the application of several elements remains ongoing pending the full functioning of several electronic



systems, some of which have faced delays. It also notes that the EU's single window initiative continues to be gradually implemented. The report mentions the important legislative developments with respect to the EU VAT regime, including the removal of the VAT threshold of EUR 22 which means that all commercial goods entering the EU will be subject to VAT from 1 January 2021.

The full report of the WTO Secretariat can be found on the [WTO website](#).

Forthcoming Events

CLECAT MEETINGS

CLECAT Air / Security Institutes

3 March 2020, Brussels

CLECAT-FIATA Joint Rail Institute

16 March 2020, Brussels

CLECAT Board Meeting

17 March 2020, Brussels

CLECAT General Assembly

17 March 2020, Brussels

CLECAT-FIATA Joint Road Institute

25 March 2020, Zurich

CLECAT Maritime Logistics Institute

23 April 2020, Porto

EVENTS WITH CLECAT PARTICIPATION

Future of Transport Conference

3 March 2020, Brussels

TEN-T Days

13-15 May 2020, Sibeni

EP/COUNCIL MEETINGS

European Parliament TRAN Committee

16-17 March 2020, Brussels

European Parliament Plenary

9-12 March 2020, Strasbourg

EU Transport Council

4 June 2020, Brussels



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