

NEWSLETTER

european association for forwarding, transport, logistics and customs services

FIRST READING ROSITION ON THE 4ST MORHITM

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News from Brussels

FIRST-READING POSITION ON THE 1ST MOBILITY PACKAGE



On 7 April, the Council adopted a first-reading position on the social and market access aspects of the 1st Mobility Package, aiming to bring a major reform to the EU road transport sector.

The new rules were designed by the Commission back in 2017, to ensure a balance between improved working and social conditions for drivers, and the freedom to provide cross-border services

for operators. In addition, they were to provide clarity for the sector by putting an end to the patchwork of different national rules and their uneven application across the Member States. However, most measures were significantly changed by the Council and the European Parliament during the co-legislative procedure.

Given the unprecedented effects of the COVID-19 crisis on road transport in Europe, CLECAT believes that any new legislation, especially the 1st Mobility Package, should be carefully assessed, taking into account the current crisis. CLECAT will therefore communicate the industry concerns to Members of the European Parliament (MEPs) when the Council's positions are announced at the extraordinary



European Parliament plenary on 17 April, which will be a starting point to count the 3-month deadline for the European Parliament's second-reading.

To note, the package consists of a regulation governing access to the road haulage market and to the profession of road haulage operator; a regulation on maximum work and minimum rest times for drivers and positioning by means of tachographs; and a directive revising enforcement requirements and laying down rules on posting of drivers.

The final first-reading position of the Council on these regulations can be found here.

EU COUNCIL ADOPTS REGULATION ON DIGITAL TRANSPORT

On 7 April, the EU Council adopted, at first reading, its position on the Regulation on electronic freight transport information (eFTI Regulation). The new rules will create a uniform legal framework for the use of electronic freight transport information for all modes of transport. CLECAT welcomes the adoption by the Council, as already in 2017, CLECAT urged the EU in its position paper to ensure the legal acceptance by authorities of data provided digitally and to harmonise the rules and IT systems which support the provision of data.

Once the eFTI Regulation is implemented, all relevant public authorities will be required to accept information provided electronically. However, companies will still be able to present the information in paper format, if they prefer. The eFTI Regulation covers a wide range of EU and national legislation, which currently still require paper-based transport documents. This includes, for example, cabotage, combined transport, dangerous goods and aviation security. The Regulation is also designed in such a way that other or new legislation can also be covered by the eFTI rules.

At the same time, the Regulation ensures that companies can provide relevant information in electronic form in the same way in all Member States, by setting common data requirements, procedures and technical specifications. These common standards and specifications will be established through the creation of underlying legislation, which will be created in cooperation with the various stakeholders, and especially Subgroup 1, of the Digital Transport and Logistics Forum, DTLF, for which CLECAT's senior manager Dominique Willems is the rapporteur. Once in place, companies can make transport information available electronically through their existing solutions, such as transport management systems, order systems, port community systems or eCMR solutions. These systems, however, are required to be certified to ensure security of the data, interoperability and acceptance throughout Europe. A certified system will be called an eFTI platform.

A provisional agreement on the eFTI Regulation was reached between the Presidency of the Council and the European Parliament on 26 November 2019. The agreed text was endorsed by Member States' ambassadors meeting in the Permanent Representatives Committee (COREPER) on 18 December 2019, and the Council confirmed the political agreement on 18 February 2020. The legal act now needs to be adopted by the European Parliament at second reading before being published in the Official Journal. The new Regulation will enter into force 20 days after its publication.

Source: **EU Council**



Customs & Trade

COMMISSION MEASURES ON CUSTOMS AND COVID-19

In order to further address the issues raised by CLECAT and other trade associations, the European Commission's DG TAXUD has updated its Guidance on Customs and the COVID-19 emergency. The revised guidance includes, inter alia, different possibilities for the submission of relevant information in a remote manner and provisions related to transit and temporary storage. Additionally, DG TAXUD has uploaded an overview of measures taken by Member States' Customs authorities during the COVID-19 crisis.

CLECAT welcomes of the actions of DG TAXUD, which, in principle, address all of the points raised by CLECAT. However, DG TAXUD's guidance still only lists existing legislative provisions and does not attempt to harmonise procedures across the EU or encourage Member States to apply any particular measures. CLECAT, other supply chain stakeholders, and even Member States, have expressed worries over a lack of pro-activeness, flexibility and communication from DG TAXUD. Industry stakeholders have urged DG TAXUD in a joint letter to provide active leadership ensuring that customs authorities across the EU take the right steps to manage the COVID-19 crisis. The group of stakeholders also encourages the Commission to engage better with the private sector and Member States and be willing to consider solutions that are outside of the existing legal framework.

While being appreciative of the measures taken by individual Member States and the information provided by the Commission so far, CLECAT will continue to engage with all relevant authorities and other stakeholders to ensure that the negative effects of the COVID-19 crisis will be mitigated as much as possible in relation to Customs and international trade.

MEASURES FOR IMPORTS OF MEDICAL EQUIPMENT

On 3 April, the European Commission decided to approve requests from all Member States and the UK to temporarily waive customs duties and VAT on the import of medical devices, and protective equipment. This will provide financial easement to import medical equipment.

The relief measure will apply for a period of 6 months and will remain in place until 31 July 2020, with a possibility for further extension. It includes masks and protective equipment, as well as testing kits, ventilators and other medical equipment. The relief of import duties and exemption of VAT should be granted retroactively in respect of importations made from 30 January 2020.

Unfortunately, rules and other restrictions for the importation, movement and use of this equipment remain fragmented in the EU and discussions at EU level are ongoing.

Source: European Commission

NEW EU ENFORCEMENT RULES IN EXTERNAL TRADE

On 8 April, European ambassadors approved the EU Council's position on new rules concerning the application and enforcement of international trade rules by the EU, ensuring the exercise of EU's rights, in particular those established under the auspices of the World Trade Organization.



Given the current paralysis of the WTO Appellate Body, the existing EU Enforcement Regulation needed to be updated to allow the Commission to take action in a situation where dispute settlement procedures are blocked. In such cases, the new rules introduce the possibility of imposing sanctions, such as customs duties, quantitative restrictions on imports or exports of goods, and measures in the area of public procurement. The Commission will also have the right to take countermeasures when a trade partner under a bilateral or regional trade agreement imposes illegal trade measures and subsequently blocks the dispute settlement process under that agreement. The Council position on the so-called EU Enforcement Regulation, which is in the spirit of the Commission's proposal, will be the basis for future negotiations with the European Parliament.

Source: **EU Council**

NEW VERSION OF VAT GUIDELINES PUBLISHED

On 8 April, the <u>latest list of guidelines</u> agreed by the VAT Committee was made available. This list includes the text of all the guidelines issued since the VAT Committee was set up in 1977. An index of guidelines (in Excel) is also made available. It links the guidelines agreed with the relevant provisions of the VAT Directive and comments upon them.

Source: **EU Commission**

WCO AND WTO JOIN FORCES TO FACILITATE TRADE

On 6 April, the heads of the World Customs Organization (WCO) and the World Trade Organization (WTO) issued a joint statement pledging to work together to facilitate trade in essential goods, such as medical supplies, food, and energy. They pledged to establish a coordinated approach to support initiatives that facilitate cross-border trade, so that essential goods can quickly reach those most in need. WCO and WTO members have already been invited to increase transparency by sharing information on new trade and trade-related measures introduced in response to the COVID-19 pandemic.

The WCO published lists of temporary import and export measures introduced by WCO Members in response to the COVID-19 pandemic. The lists with measures can be found on the dedicated WCO COVID-19 webpage. Additionally, the WCO has made available an updated list with HS Classification Reference for COVID-19 Medical Supplies. The WTO has also provided an overview of measures taken by its members which can be found on the WTO COVID-19 webpage.

Source and full statement: World Customs Organization

Road

INITIAL TESTING OF ON-ROAD TRUCK CHARGING ON PUBLIC ROADS

The initial tests of on-road charging for electric trucks on a stretch of Swedish road have been successful, the project partners reported. The scope of testing will now increase, encompassing more vehicles, additional stretches of road and higher speeds.





The project, dubbed "Smartroad Gotland", got underway in November 2019, with the installation of inductive charging equipment on a stretch of public road on the Swedish island of Gotland. Testing took place over a week and a half in winter conditions, with snow and rain, and the truck was able to charge both while stationary and while driving. The system was able to charge the truck at a rate of 45 kilowatts, according to Smartroad Gotland, with plans to continue testing at 'highway speed' with an

increased charging rate of 125 kw over the coming months.

To note, wireless charging of a moving vehicle has been accomplished before, but not on public roads. Wireless charging is more convenient than plugging in, but systems currently available have struggled to match the efficiency of conventional cables.

Source: Smartroad Gotland

Air

POTENTIAL FALSE CLAIMS OF EASA APPROVAL

On 3 April, the European Union Aviation Safety Agency (EASA) announced that it had been made aware that, in the current situation of the COVID-19 crisis, some manufacturers were falsely claiming that equipment has been approved by EASA for use in aviation and for the specific purpose of reducing the risk of the virus spreading.

EASA advised any parties in the aviation industry who are considering the purchase or use of such equipment to exercise caution if they are contacted about new products, presented with the information that equipment is EASA approved and have reason to suspect that the claim is false. Details of EASA approved equipment are published on <u>EASA's website</u>. Please note that this list, last updated on 1 April, is updated on a monthly basis.

Source: <u>EASA</u>

EUROCONTROL STATES AGREE A €1.1 BILLION DEFERRAL PACKAGE

On 7 April, the EUROCONTROL Member States agreed a financial package enabling airlines to defer the payment of up to €1.1 billion of air traffic control fees due for payment to Europe's air traffic management industry in the coming months.

As a result of COVID-19, the number of flights operating daily in European airspace has declined by 90%. This dramatic reduction in operations is likely to continue for a number of weeks to come and therefore the airline industry had sought the support of EUROCONTROL Member States to help it deal with its sudden and significant cash flow crisis.



Eamon Brennan, Director General of EUROCONTROL, stated: "This payment deferral will ease the immediate burden on airlines and it provides certainty on financial planning to both airlines and the air navigation service providers (ANSPs) on when payments will be made after the crisis has abated."

Source: **EUROCONTROL**

Maritime

EC GUIDANCE ON TRAVEL ARRANGEMENTS FOR SEAFARERS

On 8 April, the European Commission published new COVID-19 guidance to the Member States on the travel arrangements for transport workers in the maritime sector.

In line with the Commission's Communication on the implementation of 'green lanes', the new guidelines specify that seafarers should be allowed to cross borders and transit to take up their duties on board cargo vessels and return home after their contracts end. When Member States carry out health screenings, they should not significantly delay the seafarer from embarking or repatriating.

Moreover, the Commission indicates that measures should be taken in EU ports to protect maritime transport personnel and port workers, as well as seafarers and other persons on board while they embark and disembark. To ensure their health and safety, in accordance with EU law, all risks should be assessed and the appropriate preventive and protective measures put in place.

According to the guidelines, the Member states should designate several ports in the EU where fasttrack crew changes can be facilitated. The ports should be geographically dispersed so as to cover the EU territory and should be connected to operational airports and rail stations.

The full guidance document can be accessed here.

ESPO COVID-19 EXIT AND RECOVERY STRATEGY

Today, the European Sea Ports Organisation (ESPO) issued a news article, noting that from the start of the COVID-19 crisis, Europe's ports have been doing everything possible to ensure the continuity of their operations and thus the security of supply. European ports have activated contingency plans to ensure that ports remain fully operational during this crisis.

However, European ports believe that the EU needs to decide on a recovery strategy on how to overcome the economic crisis Europe is facing. On their side, European port managing bodies are cooperating as best as they can with their stakeholders and customers to help them solve the challenges they will be facing in the forthcoming months. As engines of growth, European ports will play an important role in the recovery process. To ensure that ports keep going and can help revamp Europe's economy in the aftermath of the crisis, ESPO proposes the following:

European ports, their stakeholders and their customers must, when and where needed, be able to benefit from immediate relief measures developed at both the EU and national levels. This will help the port ecosystem to bridge the temporary lockdown and impact of some limited or non-functioning port stakeholders. This temporary support will enable European ports and related industries to catch up as swiftly as possible once the confinement measures



- are lifted. During past crises, ports have proven to be a very resilient sector, able to rebound rapidly. An important condition for such a recovery is to ensure the short-term financial viability of the maritime industry and the most affected businesses in the port. All European ports should be considered for such measures, regardless of their TEN-T status.
- European ports ask EU policy makers to strengthen the existing support and financial instruments for infrastructure projects in ports, in particular CEF, and to reinforce investments to allow European ports to play their role in the decarbonisation of Europe's economy. The current crisis shows the key and critical role of port infrastructure and well-functioning port operations in ensuring the supply of essential goods and material.
- Ongoing port and transport infrastructure projects which are delayed due to national lockdown measures (in particular the temporary stop of construction works) require flexibility on deadlines and should not fall under the use-it-lose-it principle. Guidance should be further developed and discussed with the relevant project managers involved in ongoing projects, taking away the current uncertainty in their planning.

Source: **ESPO**

Rail

RAIL FREIGHT CONNECTION FREIBURG-BASEL REOPENED

After the severe accident which took place on 2 April on the Rhine Valley railway (Germany), rail freight traffic between Freiburg (Germany) and Basel (Switzerland) resumed on 8 April at 20.30h CET. Due to the new infrastructure, a speed limitation of 70 km/h applies for two days after re-opening, i.e. until Friday, 10 April.

In the evening of 2 April, a collision of a "Rollende Landstrasse" (ROLA train), i.e. a transit train with trucks, with elements of a road bridge under construction between Müllheim and Schliengen (Germany) caused the derailment of this train. Tracks and catenary were seriously damaged, which led to the closure of the section that is located on the Rhine Alpine Corridors.

Following the incident, the Rhine Alpine Corridor, being the leading corridor, activated the International Contingency Management (ICM) process. For re-routing information, the Corridor referred to scenario 4.4 of its re-routing document. Furthermore, coordination via the Park or Run tool had also been activated.

Source: Rhine Alpine Corridor

Sustainable Logistics

PUBLIC CONSULTATION ON THE AFI DIRECTIVE

On 6 April, the European Commission published a roadmap/inception impact assessment on the revision of the Directive 2014/94/EU on the Deployment of Alternative Fuel Infrastructure (AFID). The Commission has also launched an accompanying public consultation, which is open until 29 June.



Adopted in 2014, the Directive 2014/94/EU creates a common framework of measures for the deployment of alternative fuels infrastructure in the EU. Building-up such infrastructure is supposed to reduce oil dependence and mitigate environmental impacts specifically of road and waterborne transport. It should support a single market for alternative fuels infrastructure along urban areas and nodes and the core network of the Trans-European Transport Network (TEN-T).

However, an uncoordinated introduction of alternative fuels infrastructure policies in the Member States can lead to fragmentation of market action and a lack of security for long-term public and private investment in vehicle and fuel technologies. Moreover, alternative fuels infrastructure is not available evenly across the EU. Against this background, the Commission is currently carrying out an evaluation of Directive 2014/94/EU with the ambition to propose a revision in 2021.

This initiative sets requirements for greatly expanding the EU's network of recharging and refuelling stations for alternative vehicle fuels - mainly electric batteries, natural gas (CNG/LNG) and hydrogen - with a view to installing a sufficient number of points in all countries that are easy to access and use. This is needed to encourage the use of low- and zero-emission vehicles an vessels in much greater numbers than today, which is one of the EU's climate objectives in the new European Green Deal.

CLECAT will reply to the public consultation following an internal evaluation.

General

EC UNLOCKS €8 BILLION IN FINANCE FOR 100,000 SME'S

On 6 April, the European Commission announced that it unlocked €1 billion from the European Fund for Strategic Investments that will serve as a guarantee to the European Investment Fund (EIF). This will allow the EIF to issue special guarantees to incentivise banks and other lenders to provide liquidity to at least 100,000 European SMEs and small mid-cap companies hit by the economic impact of the coronavirus pandemic, for an estimated available financing of €8 billion.

The announcement follows up on the commitment made in the Commission Communication of 13 March to bring immediate relief to hard-hit SMEs, with money able to flow already in April. Executive Vice-President Valdis Dombrovskis said: "Across Europe, our businesses are struggling. The EU is responding quickly to help cushion the blow and to help small and medium-sized companies, which are especially vulnerable. Today, the Commission and the European Investment Fund are making available €8 billion in financing, bringing immediate cash relief to SMEs in Europe affected by the coronavirus pandemic. Money will be flowing already this month via local banks and lenders to help those most hard-hit by the crisis."

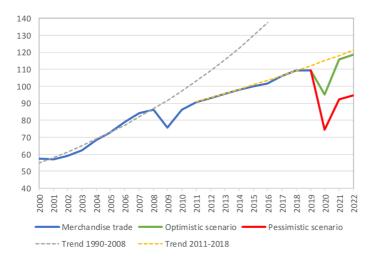
Following the call for expression of interest, financial intermediaries with existing EIF agreements under the COSME and InnovFin programmes will be able to access the new guarantees immediately upon their request. Other financial intermediaries can access the guarantees following a swift application process. SMEs will be able to apply directly to their local banks and lenders participating in the scheme, which will be listed on www.access2finance.eu.

Source: European Commission



WTO TRADE PREDICTIONS POST-COVID-19

In a study published this week, the WTO projects that trade in 2020 will fall steeply in every region of the world and across all sectors of the economy. The WTO predicts that the unavoidable decline in trade and output will likely exceed the trade slump brought on by the global financial crisis of 2008-09.



The WTO notes, however, that in light of the uncertainty about the pandemic's precise duration and economic impact, forecasts are inevitably based on strong assumptions. Therefore, two plausible scenarios were developed instead of a single set of numbers. In an optimistic scenario, the volume of global merchandise trade falling by 13% this year compared to 2019. If the pandemic is not brought under control, and governments fail to implement and coordinate effective policy responses, the decline could be 32% — or more. Two factors will eventually

determine the strength of global recovery. One, how quickly the pandemic is brought under control. And two, the policy choices governments make.

Full trade statistics and outlook can be found here.

Source: World Trade Organization

Forthcoming Events

CLECAT MEETINGS

CLECAT Customs and Indirect Taxation Institute

21 April 2020, Online Meeting

CLECAT Maritime Logistics Institute

23 April 2020, Online Meeting

EU MEETINGS

Council of the European Union

Transport, Telecommunications and Energy Council

4-5 June 2020, Luxembourg

Environment Council

22 June 2020, Luxembourg



European Parliament

Extraordinary European Parliament Plenary

16-17 April 2020, Brussels 13-14 May 2020, Brussels

European Parliament Transport Committee

21 April, Brussels 28 April, Brussels 27-28 May 2020, Brussels

European Parliament Environment Committee

4 May 2020, Brussels 27-28 May 2020, 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

y @CLECAT_EU www.CLECAT.org



