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## News from Brussels

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### EP TRAN COMMITTEE DEBATE WITH COMMISSIONER VALEAN

The Transport and Tourism (TRAN) Committee of the European Parliament has invited the Commissioner for Transport, Ms Adina-loana Vălean, for an exchange of views on the impact of the COVID-19 outbreak on the transport sector. The exchange of views will take place on Tuesday morning, 28 April 2020, and will be [webstreamed](#).

### ELP WEBINAR ON COVID-19



#### European Logistics Platform

On 6 May, the European Logistics Platform (ELP) is organising a Webinar on “COVID-19: mastering the challenges for freight transport now and for the transition to the post-virus era” from 15.00-16.30h.

In this unique situation, ELP members are all engaged to keep freight moving – from whatever transport sector they are – but equally already thinking about how to prepare for the future when the containment measures are lifted. The webinar will discuss the consequences of the COVID-19 crisis for the transport and logistics sectors in the near- and longer-term future.

Speakers include Caroline Nagtegaal, Member of the European Parliament, Matthew Baldwin, Deputy Director General of DG MOVE, and speakers from DHL Resilience360, ACEA, CER and the Port of Rotterdam.

More information and details for registration are available [here](#).

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# Road

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## UPDATE ON SECOND READING MP1

On 21 April, the Chair of the European Parliament's Transport Committee (TRAN), Ms Karima Delli (FR/Greens), announced remotely to the members of the TRAN Committee the reception of the Council's [first-reading positions](#) on the social and market access aspects of the 1<sup>st</sup> Mobility Package, adopted on 7 April and announced at the EP's extraordinary plenary session on 17 April.



As the first-reading positions of the Council are in conformity with the provisional agreement reached during the interinstitutional negotiations, the rapporteurs of all three 1<sup>st</sup> Mobility Package files recommended endorsing them without amendments. The TRAN Committee will debate the rapporteurs' recommendations for second reading during its [meeting on 28 April](#). To note, the EP has a 3-month deadline to submit its second-reading positions, counting from 17 April.

Given the unprecedented effects of the COVID-19 effects on the road transport in Europe, CLECAT believes that the legislation contained in the 1<sup>st</sup> Mobility Package should be carefully assessed, taking into account the current situation. CLECAT will therefore communicate the remaining industry concerns to the MEPs, as they have a possibility to submit second-reading amendments until 12 May.

The rapporteur's recommendations on a regulation governing access to the road haulage market and to the profession of road haulage operator can be found [here](#); on a regulation on maximum work and minimum rest times for drivers and positioning by means of tachographs – [here](#); and on a directive revising enforcement requirements and laying down rules on posting of drivers – [here](#).

## ECA REPORT ON EU CORE ROAD NETWORK COMPLETION

On 21 April, the European Court of Auditors (ECA) published a report on the completion of the EU core road network, in view of the beginning of the TEN-T Regulation review. In the audit, the ECA assessed the progress towards completing a fully functioning TEN-T core road network and the Commission's role in achieving this objective. The ECA has also made a number of recommendations to the Commission.



EUROPEAN  
COURT  
OF AUDITORS

The report found that the development of the TEN-T core road network is progressing, yet most central/eastern Member States are still lagging behind. For instance, the completion rates for individual Member States as of 2016 (latest aggregated data) vary from 7% (Lithuania) and 34% (Estonia) to around 100% (Spain, UK). The completion rate of the core network at EU level is 77%.

The auditors also found that EU funding has contributed significantly to the development of the TEN-T network since 2007. In the programming period 2007- 2013, around 2,400 km of new TEN-T roads were built, and additional 2,000 km are expected to be built in the programming period 2014-2020. The total value of EU grants for road projects, both within and outside the TEN-T, has been around



€78 billion. This has helped to bring positive results for those travelling on the network, such as reduced travel times and more kilometres driven on motorway.

However, full functionality of the TEN-T core road network was hampered by the fact that some cross-border sections were incomplete, both between Member States and with non-EU countries. The report also highlighted that there was an insufficiently coordinated approach to secure parking areas and alternative clean fuel infrastructure.

Moreover, insufficient maintenance by Member States puts the state of the core road network at risk in the medium to long term. National maintenance budgets are steadily decreasing rather than evolving in line with the increasing length of infrastructure and ageing of crucial links. Although this can have an impact on the full functionality of the core network by 2030, the Commission does not have tools to verify whether Member States have a solid system in place ensuring proper maintenance of their networks, the report emphasised.

On the basis of these conclusions, the ECA has recommended that the Commission:

- Prioritises investment in the core network by ensuring that Member States have appropriate planning, indicating the schedule and budgetary availability, to have the entire TEN-T core network complete by 2030 while paying particular attention to cross-border sections.
- Enhances monitoring arrangements to be able to monitor progress in the development of the TEN-T core network and undertake corrective actions by introducing intermediate targets, systematic and uniform approach and a system to allow monitoring of results.
- Strengthens its approach to maintenance by taking appropriate measures to enhance long-term maintenance planning by Member States.

The full report can be found [here](#).

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## *Customs & Trade*

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### **REVISION OF EU EXPORT RESTRICTIONS OF MEDICAL EQUIPMENT**

On 24 April, the European Commission published a new [Implementing Regulation](#) to adjust the export authorisation scheme for personal protective equipment (PPE), which expires on 25 April. Contrary to previous communication from the Commission, the new rules cover three product categories: protective spectacles and visors, face masks and protective garment. The new Regulation will enter into force on 26 April and will apply for a period of 30 days.

Notably, the Regulation requires Member States to consult the Commission when assessing whether to issue an export authorisation. The Commission shall issue an opinion within 48 hours from the receipt of the request. A newly set up Clearing House will coordinate efforts to match supply and demand in the EU and ensure that available supplies of materials go where they are most needed. The rules now explicitly require Member States to authorise exports of emergency supplies in the context of humanitarian aid and to process the relevant applications in an expedite manner, without preceding consultation. Additionally, Member States shall immediately notify the Commission the authorisations granted and those refused.



The Regulation changes the geographical scope of the export authorisation requirement. In addition to previously existing exceptions, it exempts exports to the Western Balkans as well as Gibraltar and territories of Member States excluded from the EU customs union.

The Regulation also includes a review clause that will allow the Commission to adjust the product scope or the duration of the provisions in light of possible new developments surrounding the COVID-19 crisis.

## REPORT ON COVID-19 IMPACT ON EU TRADE

On 23 April, the European Commission published a [report](#) on the impact of the coronavirus on EU trade. The analysis performed by DG TRADE estimates a 9.7% decrease in global trade for 2020. For the EU27, the predicted COVID19-related economic contraction results in a reduction of 9.2% in extra-EU27 exports of goods and services, and an 8.8% decrease in extra-EU27 imports.

The report indicates that in absolute terms, compared to the latest available statistics, this amounts to a reduction of exports by about €285 billion and by €240 billion in extra-EU imports (goods and services combined). Exports of primary sectors (other than energy) and services trade turn out to be less strongly affected than manufacturing sectors, most of which see export contractions above 10%. In particular, transport equipment and electrical machinery turn out to be more strongly affected.

The Commission's analysis is one of the few attempts at predicting the impact of the COVID-19 outbreak on trade flows. The results are also compared to the latest [World Trade Organization \(WTO\) trade forecasts published on 8 April](#).

## GROWING NUMBER IN EXPORT RESTRICTIONS WORLDWIDE



WORLD TRADE  
ORGANIZATION

On 23 April, the World Trade Organization (WTO) published a [report](#) finding a growing number of export restrictions in response to the COVID-19 crisis. The report suggests that 80 countries and separate customs territories have introduced export prohibitions or restrictions focused mostly on medical supplies, but others have extended the controls to additional products, such as foodstuffs and toilet paper.

The report finds that export prohibitions and restrictions applied by large exporters may in the short run lower domestic prices for the goods in question and increase domestic availability. But the strategy is not costless: the measures reduce the world's supply of the products concerned and importing countries without the capacity to manufacture these products suffer. And the long-term effects could be significant. The WTO further notes that transparency at the multilateral level is lacking. Until 23 April, only 13 WTO members have notified the introduction of new measures. Economic operators and WTO members are having to cope with a high degree of uncertainty, as it remains unclear what measures have been adopted by which countries, and new measures are being introduced regularly.

On 23 April, 21 WTO members and the EU issued a [joint statement](#), committing to ensure open and predictable trade in agricultural and food products and avoid measures with potential negative impact on food security, nutrition and health of other members. The statement calls for any emergency measures related to agriculture and agri-food products to be targeted, proportionate, transparent, temporary and consistent with WTO rules.



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# Maritime

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## LINES FIRING BLANKS TO SUCCESSFULLY SHORE UP RATES

Freight rates are continuing to hold firm despite the current unprecedented collapse in global economic activity, not least in Europe and the US, the world's major import markets. The 'composite index' of the World Container index (WCI), assessed by Drewry, has decreased just 0.8% in the last week and is still 11.2% higher than a year earlier.

Box imports into Europe are expected to peak in the next two weeks as the last orders placed before lockdowns commenced are delivered. Thereafter, one liner source expects May and June "to be very slow; slower than we've seen before" putting freight rates under severe downward pressure.



Lines are, thus far at least, maintaining remarkable discipline as they seek to prevent a disastrous freight rates collapse, a point Alan Murphy, CEO of Sea-Intelligence, noted earlier. "We are now at a point where 435 sailings are now cancelled on various deep-sea trades, and this in itself indicates a demand decline of 7 Million TEU in 2020," he said. "This forceful response to the market downturn has thus far served as a strong underpinning for freight

rates. "Seen over the past 6 weeks, the CCFI contract rate index is 11% higher than at the same period last year – despite the drop in both demand and oil prices. "The decline in the overall index since Chinese New Year can be shown to be in line with normal seasonality."

In the analyst's latest Sunday Spotlight briefing, Murphy also noted that the various container alliances were taking very different approaches to cutting capacity. "The pattern is that 2M and THE Alliance have chosen an approach where they announce blank sailings ranging quite far into the future – typically to the end of Q2 – and then supplement these with a few additional blank sailings tactically as the situation evolves," he said. "Ocean Alliance on the other hand announced blank sailings for a shorter period into the future and have not yet announced much for the later period in Q2. As an example on the trans-Pacific, the three alliances have each blanked some 17-24% in weeks 15-21. However, for weeks 22-27, 2M and THE Alliance have blanked 19-21% whereas Ocean Alliance at this point has blanked only 6%." He noted: "Given how the pandemic is impacting the economy it should be expected that we will see more blank sailings emerge from Ocean Alliance in Q2."

Source: [Lloyd's Lloydging List](#)

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# Sustainable Logistics

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## MEPS CALL FOR GREEN POST-COVID-19 RECOVERY

On 21 April, the European Parliament's Committee for Environment, Public Health and Food Safety (ENVI) held an exchange of views with Mr Frans Timmermans, Executive Vice-President of the Commission, on the European Green Deal and the European Climate Law.





Last week, in its [resolution](#) on EU coordinated action to combat the COVID-19 pandemic and its consequences, the EP called on the Commission to propose a recovery and reconstruction package that “should have at its core the Green Deal and the digital transformation in order to kick start the economy.” Mr Timmermans emphasised that pan-European answers are needed, and a green recovery is not only possible, but crucial.

While all MEPs agreed that solving the health crisis is the immediate priority, many underlined the need to keep the timetable on important parts of the European Green Deal. Mr Timmermans noted that the timetable for the EU Climate Law is unchanged, with a revised reduction target proposal for 2030 foreseen for September.

To note, the European Commission is currently working on a recovery plan for Europe and intends to present a new proposal on 29 April for the EU’s seven-year multi-annual financial framework (MFF).

Source: [European Parliament](#)

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## *Forthcoming Events*

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### CLECAT MEETINGS

CLECAT Maritime Logistics Institute

30 April 2020, **Online Meeting**

CLECAT Road Logistics Institute

6 May 2020, **Online Meeting**

CLECAT Board Meeting

14 May 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

13-14 May 2020, Brussels

European Parliament Transport Committee

28 April, Brussels

27-28 May 2020, Brussels



European Parliament Environment Committee  
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](mailto:nicolettevdjagt@clecat.org) / [info@clecat.org](mailto:info@clecat.org)

 @CLECAT\_EU

[www.CLECAT.org](http://www.CLECAT.org)

