

## Table of content

TRANSPORT AND LOGISTICS INDUSTRY WELCOMES MEASURES TO KEEP GOODS MOVING DURING COVID-19 TRANSITION	P 1	US FMC INTERPRETIVE RULE ON DEMURRAGE AND DETENTION	P 6
NEW EC COVID-19 MEASURES TO SUPPORT TRANSPORT SECTOR	P 2	IATA CALLS FOR GLOBAL MUTUAL RECOGNITION BY CAA'S	P 7
COVID-19 CRISIS COORDINATION MEETING ON CUSTOMS ISSUES	P 3	SCARCE AIR CARGO CAPACITY	P 8
CLECAT LETTER ON THE 1ST MOBILITY PACKAGE SECOND READING	P 4	ICAO ESTABLISHES COVID-19 AVIATION RECOVERY TASK FORCE	P 8
ELP WEBINAR ON COVID-19	P 4	EU-MEXICO TRADE AGREEMENT	P 9
SPEECH BY COMMISSIONER VÁLEAN TO TRAN ON THE EC RESPONSE TO COVID-19	P 5	WTO INTERIM APPEAL ARBITRATION ARRANGEMENT	P 9
KEEPING SUPPLY CHAINS EFFICIENT DURING COVID-19	P 6	FIATA COVID-19 ONLINE PLATFORM	P 10

---

## *News from Brussels*

---

### **TRANSPORT AND LOGISTICS INDUSTRY WELCOMES MEASURES TO KEEP GOODS MOVING DURING COVID-19 TRANSITION**

CLECAT, EEA and ESC issued a [press release](#) today welcoming the reaffirmation by Transport Ministers, following the informal videoconference yesterday, of the need to coordinate the exit and recovery measures for the transport sector in the context of COVID-19. The coordination of measures will be vitally important to ensure continued smooth transport of goods. The communication further reads that 'the package of measures to support the transport sector announced by Transport Commissioner Válean yesterday, are, generally, a welcome step towards a harmonized approach to recovery across transport modes. Only a coordinated approach will allow the transport and logistics industry to fully play its role in supporting industries and sectors as they resume their economic activity.

Continuing to provide administrative relief to the transport industry through the extension of the validity dates of certain certificates, licenses and other authorisations is vital and we support the Commission's proposal to this effect.

Regarding road freight, the continued application of EU Green Lanes is essential, and we welcome the recognition of their continued importance by Transport Ministers. Green Lanes will be key in preserving the smooth transport of goods as general traffic volumes increase. Their effectiveness is contingent upon the full implementation of the Commission's Communication on the Implementation of Green Lanes of 23 March for the duration of the recovery measures. We therefore also support the emphasis Transport Ministers placed on the need for information sharing through national contact points for transport.

We acknowledge the positive response by the European Commission to enable Member States to continue to temporarily diverge from EU rules on driving and rest times. Upholding the current flexibility, especially when private vehicle traffic is no longer restricted, is an important relief measure for the sector.

Regarding air cargo, we welcome the recognition of air crew repositioning by Transport Ministers as an important element of transport facilitation. However, we note with some surprise that the European Commission has opted to propose a derogation from the emergency measures in Article 21 of Regulation 1008/2008 regarding traffic rights. In view of the current scarce air freight capacity, it is essential to uphold air traffic rights to ensure the maximum capacity possible for air transport. Enabling such derogations and allowing for the simplified imposition of restrictions beyond 14 days on established traffic rights should in no case jeopardize the operation of the transport network for cargo and supporting activities. Finally, we call on Member States to ensure the continued application of the Commission Guidelines “Facilitating Air Cargo Operations during COVID-19 outbreak.”

## NEW EC COVID-19 MEASURES TO SUPPORT TRANSPORT SECTOR

On 29 April, the European Commission adopted a package of measures, aiming to provide a relief to the transport sector, by removing administrative burdens and increasing flexibility. The package includes measures to support the aviation, rail, maritime, inland navigation and road sectors, as the governments are starting to relax the restrictions put in place during the COVID-19 pandemic. The Commission has noted that additional proposals may follow in the coming weeks. The new Commission proposals are summarised below:

- To facilitate the completion of certain formalities required under EU law, the Commission has put forward a [proposal](#), allowing for the **validity date of certain certificates, licences and other authorisations**, which would expire between 1 March 2020 and 31 August 2020, to be extended for a reasonable period of time (in most cases – by six months). Certain periodic checks in road, rail, inland waterways transport and maritime security will also be postponed.
- For aviation, the relief [proposal](#) addresses **ground-handling services**, authorising the extension of contracts to avoid complex tenders, and allowing concessions that will prevent airports from getting blocked should ground-handling companies go bankrupt. Under that proposal, if a groundhandling service provider would cease its activities before the end of its appointment, the airport managing body would be able to nominate a groundhandling service provider without a tender for the period of maximum 6 months. The proposal also modifies air carrier licensing rules temporarily to ease financial problems linked to the coronavirus. Moreover, it introduces a derogation from the emergency provisions on air traffic, allowing Member States to introduce derogatory measures for more than 14 days.
- A [proposal](#) to amend the regulation on **port infrastructure charges** will give the Member States and port authorities the flexibility to defer, reduce or lift port infrastructure charges for port users, in order to provide shipping companies with liquidity.
- For rail, the Commission has issued a [proposal](#) to extend by three months the deadline by which some Member States must transpose EU law on **rail safety and interoperability** in the ambit of the 4<sup>th</sup> Railway Package. The delay until 16 September 2020 shall ensure that the sector has legal clarity and can focus its time and resources on coronavirus recovery. Moreover, the time limit for renewal of (single) safety certificates and safety authorisations shall be extended by six months.



The Commission has also responded positively to the requests from 11 Member States for temporary exemption from EU rules on driving times and rest periods. A further 9 Member States have now also requested temporary exemption and will receive a positive decision in the coming weeks. CLECAT has encouraged such decisions from the beginning of the crisis and has recently sent a [letter](#) to the Commission and the Member States, suggesting that the relaxation of rules is sustained throughout the transition phase.

More information: [European Commission](#)

## COVID-19 CRISIS COORDINATION MEETING ON CUSTOMS ISSUES

On 29 April, CLECAT attended a special COVID-19 crisis coordination meeting of the Trade Contact Group (TCG), organised by the European Commission's DG TAXUD. The aim of the meeting was for the Commission to address the impact of the pandemic, as well as to reply to questions from trade and address remaining issues. During the TCG plenary meeting, the Commission also presented the various aspects covered in the revised version of the [Guidance document published on 27 April](#).



Following the [CLECAT letter on COVID-19 and customs issues](#), sent to the Commission on 19 March, and the publication of the revised guidance, CLECAT submitted, on 28 April, a [document with additional input to the TCG meeting](#), based on regular consultations with CLECAT Members. CLECAT explained that while several Member States had ensured good measures for customs representatives in relation to debts and guarantees, from recent discussions with CLECAT Members, it had become evident that several issues remained. CLECAT noted that the financial relief provided to debtors (importers) can cause serious financial issues to parties who provide guarantees and payment for those debtors (Freight Forwarders and Customs Brokers). CLECAT stressed that customs representatives are equally hit as any other party by the COVID-19 crisis, and therefore, they should not be burdened additionally or brought into additional financial risks. CLECAT further noted that not all Member States were using available possibilities and solutions in relation to payment facilities for representatives/third parties. Therefore, CLECAT requested DG TAXUD to provide additional guidance on payment facilities for representatives and additional assistance in those Member States which had not provided equal possibilities or did not operate in accordance with the legislation and the guidance.

Next to issues related to payment facilities, CLECAT asked the Commission to give further consideration to the diverging practices in different Member States regarding VAT, the use of paper documents and the importation of personal protective equipment and medical devices. CLECAT encouraged the Commission to analyse best and worst practices and ensure more efficient procedures both during the immediate emergency and on a mid- and long- term after the crisis.

DG TAXUD welcomed the input of CLECAT and assured that the document with additional input to the TCG meeting had been received and that its content was being carefully analysed. The Commission added that the additional issues expressed by CLECAT would be dealt with in the next revision of the Guidance document, which could be expected shortly. The Commission further invited CLECAT and other stakeholders to submit additional specific issues so the Commission could address them directly to the relevant director generals of Member States' Customs administrations. As a lot of TCG members expressed particular interest in holding another online meeting with DG TAXUD, the Commission said it would consider organising such meeting at the end of May.



## CLECAT LETTER ON THE 1<sup>ST</sup> MOBILITY PACKAGE SECOND READING

On 28 April, the European Parliament's Transport Committee (TRAN) met to discuss the rapporteurs' recommendations for a second reading on the social and market aspects of the 1<sup>st</sup> Mobility Package.

As the [first-reading positions](#) of the Council were in conformity with the provisional agreement reached during the interinstitutional negotiations in December 2019, the rapporteurs of all three 1<sup>st</sup> Mobility Package files recommended endorsing them without amendments. Some MEPs from the peripheral Member States have nevertheless expressed their disappointment with the package in its current form and said they were preparing additional amendments.

As announced by the TRAN Committee Chair, Ms Karima Delli MEP (FR/Greens), the members of TRAN have a possibility to submit the second-reading amendments by 12 May. With respect to the next steps, we understand that there will be a vote on the second-reading positions of TRAN on 8 June, followed by a vote by the full EP Plenary in July. Overall, the EP has a 3-month deadline to submit its finalised second-reading positions, counting from 17 April.



Given the unprecedented effects of the COVID-19 effects on the road transport and logistics sector in Europe, CLECAT believes that the social and market access legislation contained in the 1<sup>st</sup> Mobility Package should be carefully reassessed at second reading by incorporating changes that would help road transport to adapt to future challenges and make green post-crisis recovery possible. CLECAT has therefore prepared a

[letter](#) to the members of the EP, urging them to take into account the concerns of the transport, logistics and freight forwarding industry in order to make sure that the new rules contribute to a sustainable and well-functioning internal market for road transport, accessible to all.

In particular, CLECAT has emphasised the mandatory return of vehicles and a 'cooling-off' period for cabotage operations, the introduction of which would not only undermine the economic recovery of the road transport and logistics sector postCOVID-19, following large financial losses, but also disrupt the objectives of the European Green Deal. CLECAT has therefore encouraged the EP to reconsider these measures, given that the impact assessments by the European Commission on the environmental and economic effects of the draft legislation were still pending.

Moreover, CLECAT has highlighted that the prohibition on taking the regular weekly rest in the vehicle will be particularly unhelpful in containing the spread of COVID-19, as it will create health and safety risks for the driver. Hence, CLECAT has urged the EP to withdraw the provision obliging the driver to take the regular weekly rest outside the cabin, until a sufficient number of health and safety compliant overnight accommodation alternatives becomes available across the TEN-T network.

### 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 Resilience360, ACEA, CER and the Port of Rotterdam.

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

## SPEECH BY COMMISSIONER VĂLEAN TO TRAN ON THE EC RESPONSE TO COVID-19

In her [introductory speech](#) to the TRAN Committee of the European Parliament earlier this week, Commissioner Valean said that her first focus was to keep goods supply chains working across the EU, while keeping citizens safe, with Green lanes to avoid congestion and delays, recommendations for air cargo operations to ensure timely delivery of essential medical supplies, and the designation of ports to allow the safe change of sea crews. Waiting times for hauliers at most borders is now down to about 15 minutes.



© European Union 2020 – EP/photographer

Aviation has been particularly hard hit, with the number of flights falling by 90% within a few weeks. Ms Valean thanked the Parliament for adopting swiftly the legislation to temporarily alleviate airlines from the ‘use-it-or-lose-it’ rule for slots. For all transport modes, the Commission has encouraged Member States to use the full flexibility foreseen under EU state aid rules, and has adopted a new Temporary Framework to remedy the liquidity shortage faced by companies. The Commissioner announced a further package of measures for all modes (see article above). The Commission is also working on a set of recommendations for the deconfinement of each transport mode as a coordinated European approach, which will be key to avoid fragmentation of the Internal Market, discrimination, and disproportionate or unilateral measures by Member States. Furthermore, the Commission intends to propose on 6 May an updated budget and work programme for an economic recovery towards a more resilient, green and digital EU.

The Commission still plans to launch a strategy on sustainable and smart mobility in 2020, taking into account the recovery of the transport sector from COVID-19. It will also come forward with two initiatives aimed at promoting alternative fuels in the aviation and maritime sectors, as well as a package on aviation services, following rigorous impact assessments.

She also insisted on the need to adopt a solid Multiannual Financial Framework (MFF) and a recovery work programme and the importance to invest in sustainable transport infrastructure for the recovery of the economy as part of the Green Deal. The Connecting Europe Facility (CEF) would play a key role and the Commission is ready to allocate all remaining resources for this period quickly and be flexible regarding ongoing projects, she said.



---

# Maritime

---

## KEEPING SUPPLY CHAINS EFFICIENT DURING COVID-19

A third wave of blank sailings has been announced recently by the 2M, Ocean Alliance and THE alliances. The current capacity reduction, in particular on the Far East-Europe trade, varies between 20% and 37%, depending on the alliance. Apart from blank sailings, lockdowns have also had an impact on the trades to and from South Africa and India/Pakistan, showing that the pandemic has a wider impact than just the main east-west trades. Recorded sailings, blanked as a result of the coronavirus pandemic, now stand at 456, of which 342 were on the main deepsea trade lanes.

The effects of blank sailings and lockdowns has a delayed impact on European export (backhaul) business of around 5 weeks and have therefore been relatively limited in April. However, more serious impacts on the supply chain are expected in the coming months. Due to blank sailings, maritime logistics supply chains are becoming more and more unreliable. Accordingly, current blank sailings resulting from this are harmful to European logistics and shippers, because it reduces supply chain efficiency and parameters such as capacity, sailing frequency, transit times, ports of call and associated service quality.

The question remains whether this could have been avoided and what has caused this disruption. There is no denial that volumes have decreased. However, the higher economies of scale associated with mega-ships mean that fewer ships can operate in a market of a given size. There is a strong feeling amongst freight forwarders that market consolidation and the introduction of ultra large vessels is particularly disruptive to supply chains in today's crisis.

In view of business, shops and manufacturing being closed, freight forwarders, terminal operators and carriers are seeking storage in warehouses, depots at the terminal and in the hinterland. CLECAT has continued to call on carriers and terminals to exercise restraint in their demurrage and detention charging practices.

The full CLECAT blog is available [here](#).

## US FMC INTERPRETIVE RULE ON DEMURRAGE AND DETENTION

On 28 April, the US Federal Maritime Commission (FMC) issued new guidance on how it will assess the reasonableness of detention and demurrage regulations and practices of carriers and marine terminal operators. The final rule, dubbed "[Docket No. 19-05, Interpretive Rule on Demurrage and Detention under the Shipping Act](#)", will become effective upon its publication in the US Federal Register.



Under the new guidance, the FMC will consider the extent to which detention and demurrage charges and policies serve their primary purpose of incentivising the movement of cargo and promoting freight fluidity. The rule also provides guidance on how the FMC may apply that principle in the context of cargo availability (and notice thereof) and empty container return. The FMC may also consider in assessing the reasonableness of detention and demurrage practices factors related to the content and clarity of carrier and marine terminal operator policies addressing detention and



demurrage, as well as the clarity of carrier and marine terminal operator detention and demurrage terminology.

The final rule adds two provisions that were not included in the proposed rule, published in September 2019. The first one clarifies that the guidance in the rule is applicable in the context of government inspections. The second clarifies that the rule does not preclude the FMC from considering additional factors, arguments and evidence outside those specifically listed.

This final interpretive rule is the finalisation of a process initiated by a petition, submitted to the FMC in December 2016 by a coalition of shipper groups. In the intervening period, the FMC held public hearings in January 2018, initiated a [Fact Finding 28](#) investigation in March 2018, led by Commissioner Rebecca Dye, and issued a proposed rule in September 2019.

Source: [US FMC](#)

---

## Air

---

### IATA CALLS FOR GLOBAL MUTUAL RECOGNITION BY CAA'S

On 27 April, the International Air Transport Association (IATA) called on regulators to take urgent action to help civil aviation operate seamlessly and safely between states during the COVID-19 pandemic, as well as to help facilitate the restart when the virus is contained. Specifically, IATA asked states to take the following immediate steps:

- Work with the aviation industry to find temporary measures to ensure that licenses and certificates critical to managing aviation safety are extended to remain valid;
- File their temporary measures with the International Civil Aviation Organization (ICAO);
- Recognize the measures of other states that are filed with ICAO.

Many aviation regulators around the globe have already taken the necessary steps to provide airlines and licensed crew with the required flexibility, such as extensions to the validity periods for licenses, ratings and certificates, so operational capabilities can be maintained. IATA notes that to be effective, these measures should be filed with ICAO so that they can be visible to and recognized by counterpart states. Without mutual recognition, airlines would be faced with uncertainty over whether they might be restricted by the states whose territory they enter.

At present, many of the world's aviation regulators are not able to perform their standard administration of various licenses, as their operations have also been impacted by the COVID-19 outbreak. To support global aviation, ICAO has established the COVID-19 [Contingency Related Differences \(CCRD\)](#) system. This enables all states to record any differences to their standard policies and to make a clear statement that they accept other states' differences through a [new form](#). This shall ensure safe continuity of flights between countries in a harmonized, documented process.

Source: [IATA](#)



## SCARCE AIR CARGO CAPACITY

The [data for March air cargo performance](#), released by the International Air Transport Association (IATA), demonstrated that there is a severe capacity shortfall for air freight, thereby underpinning the continuous view of industry over the past weeks.

While global demand, measured in cargo tonne kilometres (CTKs), fell by 15.2% in March year-on-year, the global capacity, measured in available cargo tonne kilometres (ACTKs), dropped by 22.7% in March year-on-year. IATA notes that international markets account for 87% of air cargo. Belly capacity for international air cargo shrank by 43.7% in March year-on-year, due to the cancellation of passenger flights. This was partially offset by a 6.2% increase in capacity through expanded use of freighter aircraft, including the use of idle passenger aircraft for all-cargo operations.

“At present, we don’t have enough capacity to meet the remaining demand for air cargo. The gap must be addressed quickly because vital supplies must get to where they are needed most. For example, there is a doubling of demand for pharmaceutical shipments that are critical to this crisis. With most of the passenger fleet sitting idle, airlines are doing their best to meet demand by adding freighter services, including adapting passenger aircraft to all-cargo activity. But mounting these special operations continues to face bureaucratic hurdles. Governments must cut the red tape needed to approve special flights and ensure safe and efficient facilitation of crew,” said Alexandre de Juniac, IATA’s Director General and CEO.

IATA further notes that globally there are still too many examples of delays in getting charter permits issued, a lack of exemptions on COVID-19 testing for air cargo crew, and inadequate ground infrastructure to/from and within airport environments. Air cargo needs to move efficiently throughout the entire supply chain to be effective. Therefore, IATA urges governments to cut the paperwork for charter operations, exempt cargo crew from quarantine rules that apply to the general population and ensure there is adequate staff and facilities to process cargo efficiently. This is fully in line with the measures that CLECAT has been calling for to ensure sufficient air cargo capacity during the COVID-19 crisis.

## ICAO ESTABLISHES COVID-19 AVIATION RECOVERY TASK FORCE

On 29 April, representatives from the 36 countries on the Governing Council of the International Civil Aviation Organization (ICAO) established a new COVID-19 Aviation Recovery Task Force. The aim of the new ICAO Council Task Force will be to identify and recommend strategic priorities and policies for States and industry operators.

The Task Force shall leverage all available government and industry data toward solutions to the immediate challenges being felt sector-wide, and the priorities to be addressed to reboot the network for a post-COVID world, and make it more resilient and responsive in the process.

It is composed of ICAO Council Members and high-level aviation industry representatives including the Directors General of all major air transport industry associations. UN entities, such as the World Health Organization (WHO) and the World Tourism Organization (UNWTO), are also represented, as well as the heads of several national and regional aviation administrations. The ICAO Council expects the first outcome by the Task Force by the end of May 2020.

Source: [ICAO](#)





---

# Customs and Trade

---

## EU-MEXICO TRADE AGREEMENT

On 28 April, the EU and Mexico concluded the last outstanding element of the negotiation of their new trade agreement, namely the opening of public procurement markets and respective processes. With this, the EU and Mexico can advance to the signature and ratification of this agreement in line with their respective rules and procedures.

The trade agreement is part of a broader Global Agreement, which sets the framework for the EU's relationship with Mexico and covers issues of broader shared interest that go beyond trade, including political issues, climate change and human rights. Under the new trade agreement, practically all trade in goods between the EU and Mexico will be duty-free. The agreement also now includes progressive rules on sustainable development, such as a commitment to effectively implementing the Paris Climate Agreement. Simpler customs procedures will aim further help boost exports. It will also be the very first EU trade agreement to include provisions to fight corruption, with measures to act against bribery and money laundering.

The legal revision of the agreement is now being finalised. Once the process is concluded, the agreement will be translated into all EU languages. Following the translations, the Commission proposal will be transmitted for signature and conclusion to the Council and European Parliament.

More information on the EU-Mexico trade agreement and legal texts you can find [here](#).

Source: [European Commission](#)

## WTO INTERIM APPEAL ARBITRATION ARRANGEMENT

On 30 April, the EU and other members of the World Trade Organization (WTO) formally [notified](#) the 'Multi-party interim appeal arbitration arrangement' (MPIA) to the WTO, which marks the start of the application of the MPIA to disputes arising between the participating countries. The participants - Australia; Brazil; Canada; China; Chile; Colombia; Costa Rica; the European Union; Guatemala; Hong Kong, China; Iceland; Mexico; New Zealand; Norway; Pakistan; Singapore; Switzerland; Ukraine and Uruguay - will benefit from a functioning 2-step dispute settlement system in the WTO, including the availability of an independent and impartial appeal stage.

The MPIA will operate under the WTO framework and will be based on the usual WTO rules applicable to appeals but will also contain some novel elements to enhance procedural efficiency. The interim appeal arrangement is not intended to supplant the WTO's Appellate Body. As soon as the Appellate Body is again able to operate, appeals will be brought before the Appellate Body.

The subscribing WTO members will now start putting in place a pool of 10 arbitrators that could be called on to hear future appeals. The aim is to have the composition of this pool finalised within three months from now. Arbitrators to serve on specific appeals will be drawn randomly from that pool.

Source: [European Commission](#)



---

# General

---

## FIATA COVID-19 ONLINE PLATFORM

To support its members, FIATA has created a [COVID-19 information platform](#) on its website with practical tools and timely resources for Member National Associations to use and integrate in their crisis response. The information platform provides updates on general information, cargo, border clearance, practical resources, and FIATA 2020 events. Some of the topics addressed include:

- [Maintaining the flow of essential goods during the COVID-19 crisis](#)
- [International responses to the COVID-19 emergency](#)
- [Practical tips for invoking force majeure in the COVID-19 crisis](#)
- [Extension of carriage of dangerous goods by air certification](#)
- [Intelligence on the latest practical developments impacting on the supply chain](#)

FIATA will continue to update the platform with new resources every week.

---

## Forthcoming Events

---

### EVENTS AND MEETINGS

CLECAT Road Logistics Institute

6 May 2020, **Online Meeting**

ELP Web-Event on Logistics and COVID19

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

11 May, 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)

