NEWSLETTER

CLECAT

european association for forwarding, transport, logistics and customs services

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News from Brussels

GLOBAL LOGISTICS EMISSIONS COUNCIL WEBINAR

On 7 May, CLECAT joined the webinar of the Global Logistics Emissions Council (GLEC), which discussed the implications of COVID-19 on logistics supply chains and gave updates on the ongoing GLEC projects and initiatives.

CLECAT is a long standing GLEC member and has contributed to the development and review of its flagship GLEC Framework, which is now being transformed into a new ISO standard for the carbon footprinting of logistics supply chains. The new ISO 14083 will deliver a common methodology for the quantification and reporting of greenhouse gas (GHG) emissions from any transport operations within a transport chain, including hub operations. Notedly, the so-called Vienna Agreement will ensure that the review of existing CEN standard EN16258 is captured within the development of ISO. Since the GLEC Framework serves as a basis for the new ISO standard, companies and organisations are expected to rely on the GLEC Framework as an implementation guide for the new ISO.
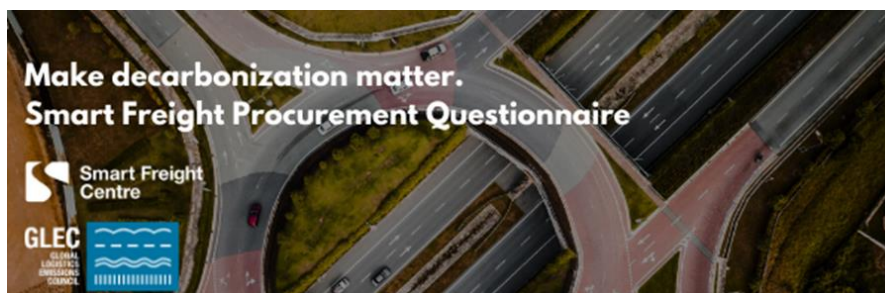
The project partners also presented the Smart Freight Procurement (SFP) Questionnaire, to which CLECAT contributed with comments and suggestions on how to make it more appealing to users throughout its development phase. It is a practical tool that buyers of freight transportation and logistics services can use in the tender process with suppliers as a decision criterion in order to make decarbonisation matter. To note, the SFP Questionnaire builds on the Smart Freight

[Procurement Guidelines](#), which aim to enable companies and organisations to reduce GHG emissions and air pollutants through their freight transport and logistics procurement.

The SFP Questionnaire and a comprehensive usage guidance will become available publicly on 13 May. It is possible to register to a live launch of the SFP Questionnaire via this [link](#). The launch session will cover the highlights of the SFP Questionnaire, key points of the guidance and a live Q&A session.

DIGITAL TRANSPORT & LOGISTICS UPDATE

On 6 and 7 May, the online meetings of the Digital Transport and Logistics Forum (DTLF) subgroups were held during which various EU developments in the field of digitalisation in transport were discussed. One of the main topics was the soon to be adopted [Regulation on electronic Freight Transport Information (eFTI)](#), which will oblige Member States to accept regulatory information in digital format.

Subgroup 1 of the DTLF, for which CLECAT's Senior Manager Dominique Willems is rapporteur, is tasked with the preparatory work for the detailed rules and technical specifications of the eFTI legislation. During the meeting, the approximately 80 experts of the public and private sector received an update from the Commission and Mr Willems on the work delivered so far regarding the establishment of a common EU Transport Data Model and the development of business processes. By the end of 2020, Subgroup 1 will present its advice for the establishment of the eFTI delegated and implementing acts which detail those rules and specifications. The final acts should be adopted by 2023 and will ensure that transport information can be exchanged between businesses and authorities in a harmonised, efficient and electronic way.

Meanwhile, another step in the formal adoption of the eFTI Regulation was taken by the EU Parliament. Following the [adoption by the Council](#), the Rapporteur of the Parliament's Transport Committee, Andor Deli, presented his [draft recommendation](#) in which the legislation is endorsed to be adopted by Parliament. Other MEPs have an opportunity to table amendments until 12 May. However, changes are not expected, as this is the Parliament's second reading and the text was already informally agreed between the Council and Parliament.

It is expected that the eFTI legislation will enter into force in August 2020 and, after a gradual implementation, will be fully applied in 2025. The Regulation will oblige EU Member States to accept information in relation to, for example, cabotage, combined transport, dangerous goods and aviation security in electronic format. At the same time, the data and IT system requirements will be harmonised to counter the current fragmentation in this field. The information is currently provided through paper-based consignment notes, such as the CMR or CIM consignment notes or air waybill. By setting EU rules for governmental requirements, it is expected that also digitalisation in a business-to-business environment will speed up. Thereby, it supports the use of digital transport documents. Contrary to some recent public press reports, the eFTI legislation will not oblige Member States to ratify, for example, the e-CMR convention as this is not required by EU legislation.

COUNCIL AGREES ITS POSITIONS ON TRANSPORT RELIEF MEASURES

On 8 May, Member States' ambassadors approved a mandate for the presidency to negotiate with the European Parliament four legislative proposals designed to provide flexibility, ease the administrative burden and reduce financial costs for transport businesses. These represent a set of urgent measures to help companies and authorities in the aviation, rail, road and shipping sectors to weather the impact of the coronavirus crisis.

The proposal on **aviation** amends **air carrier licencing** rules in case of financial problems caused by the COVID-19 pandemic, in order to avoid unnecessary administrative burdens. It also introduces a derogation to the procedures used by Member States to impose **traffic rights restrictions** to deal with emergencies resulting from unforeseeable and unavoidable circumstances. The derogation shall clarify that a Member State may temporarily keep a justified and proportionate emergency measure in place for a period longer than 14 days, but the measure may only remain in force for as long as there are public health risks clearly linked to the coronavirus pandemic. The Commission may suspend this action at the request of any member state involved or on its own initiative. In addition, new temporary rules on **ground-handling services** shall help airports to continue operating in the event of a ground-handling company going bankrupt, by introducing a direct procedure for the selection of service providers. They will also help airports avoid complex tenders by allowing for the extension of contracts.

The proposal to extend the transposition deadline for the rail safety and interoperability directives of the **4th railway package** shall give the rail sector and the authorities the flexibility to better face the current circumstances caused by the coronavirus outbreak. Under the Council mandate, the transposition deadline has been extended to 31 December 2020.

Amending the **port services** regulation shall help ship operators by relaxing the existing rule that requires member states to ensure that a port infrastructure charge is levied. The amendment shall give ports the possibility to waive, suspend, reduce or defer these charges for port users. The Council mandate stipulates that this temporary legislation should be in force until 31 October 2020, which is slightly shorter than what the Commission proposed.

The proposal allowing the extension of the **validity of certain certificates and licences** shall support those transport operators, individuals and national administrations that, owing to the coronavirus restrictions, are having difficulties fulfilling certain administrative formalities before the expiry of the relevant deadlines. This is the case for instance for driving licences, roadworthiness tests for motor vehicles and boat-masters' certificates. Certain periodic checks in road, rail, inland navigation and shipping shall also be postponed temporarily, as these activities may not be feasible in the current exceptional circumstances. The Council text includes some changes to the Commission proposal to allow the differences between Member States as regards the spread of the pandemic to be taken into account.

Both the Council and the European Parliament will need to agree on the final texts of these proposals.

Source: [Council of the EU](#)

ELP WEBINAR ON COVID-19

European Logistics Platform

At the first webinar organised by the European Logistics Platform (ELP) on the 6th March , over 60 EU policy-makers and industry representatives met to discuss how the freight transport sector was mastering the challenges caused by the crisis following the COVID-19 outbreak, and what would be needed for a successful transition to the post-pandemic era.

Caroline Nagtegaal, MEP and Vice-Chair of the Transport Committee (TRAN), opened the webinar with an overview on the European Parliament's initiatives in response to the COVID-19 pandemic in the area of freight transport, in support of the Commission's rapid response with the Green Lanes, which proved to be instrumental to quickly reduce blockages and long waiting times at borders for freight. Ms Nagtegaal highlighted the package of relief measures for transport that had been adopted by the Commission and noted that the Parliament will seek to finalise urgent legislative proposals to ensure business continuity in these hard times. In conclusion, she noted that: 'this crisis proves the importance of freight transport and logistics for the EU economy and citizens and this is owed to the great job of workers in this sector who have continued to bring food and medicines to all in need.'

Tobias Larsson & Mirko Woitzik from Resilience360, an innovative supply chain risk management software platform that helps businesses mitigate the risk of supply chain disruption, outlined how *C*OVID-19 has quickly emerged as the number one risk to global activity. This became very clear with the data presented on the impact of COVID-19 on global supply chains in particular on the various modes of transport, warehousing and manufacturing industry in Europe. Mr Woitzik warned for uncoordinated border re-openings, which could cause another wave of border delays and disruptions, the risks of bankruptcies for small businesses who need financial support and different national responses to the second infection wave. EU guidelines for transport sector should remain valid beyond the initial recovery period.

Matthew Baldwin, Deputy Director-General of DG MOVE, explained that the European Commission, in its efforts to address the pandemic focusses particularly on fixing practical problems, avoiding unnecessary administrative burdens and providing the necessary flexibility to adapt to the unprecedented context. He highlighted two main initiatives of DG MOVE to address the impact of COVID-19 on the transport industry, namely the transport contact points network established among EU Member States and the Green Lanes concept that ensured open EU borders for the movement of freight. The Commission set up a network of national contact points and a platform to provide information on national transport measures taken by Member States in response to the coronavirus. He further presented other important streams of work, noting that communication and good coordination techniques were key. Looking at the future, Mr Baldwin said that the Commission was exploring how to restore transport services and connectivity as quickly as public health allowed it and reassured the industry that the Green Lanes would remain in force. In that context, he stressed the importance of well-coordinated proportionate and non-discriminatory measures. Finally, Mr Baldwin assured the participants that sustainability would be at the forefront of the Commission's strategy for recovery post-COVID-19.

Thomas Fabian, Director Commercial Vehicles at ACEA, gave on overview on the impact on the automotive industry, which had been hardly hit by the COVID-19 crisis, causing the shut-down of basically all operations at the beginning of March. He noted recently there had been a slow restart of industrial production, which was still being challenged by diverging measures taken in EU Member States. Mr Fabian concluded by outlining key elements for a successful restart including a coordinated relaunch of industry activity, appropriate measures to maintain the liquidity of businesses, a strong

foundation for sustainable economic recovery in line with the Green Deal and an overall adequate regulatory framework.

Mark Dijk, Manager External Affairs at Port of Rotterdam, noted that the port was running well, with all services operational 24/7, accompanied by necessary health and safety measures, not the least because shipping handling and the associated processes in the logistics chain were designated as vital to keep society running. The crisis was however having a serious impact on volumes and therefore support measures remained important, also to revitalize the economy after the lockdown period. Mr Dijk was pleased with the good cooperation and coordination between parties which included continued coordination of port services, intensive communication with port users and stakeholders and continued development of ongoing port projects and preparation for post-crisis scenarios.

Libor Lochman, Executive Director at the Community of European Railways (CER), highlighted the importance of rail freight transport during the COVID-19 crisis, by transporting large quantities of cargo and serving society with necessary supplies while requiring minimal human resources. The EurAsian Landbridge provided the means to import goods from Asia during at a time when air freight capacity was scarce. He highlighted that a shortage of the capacity for rail freight transport should be prevented once passenger demand would again increase.

In concluding the event, Ms Nicolette van der Jagt, Chair of the ELP, thanked the speakers for their valuable contributions and highlighted the transport sector's view that a patchwork of national measures should be avoided during the transition to the post-crisis era.

Maritime

CLECAT WELCOMES THE US FMC INTERPRETIVE RULE ON DEMURRAGE AND DETENTION

CLECAT welcomes the newly published guidance by the US Federal Maritime Commission (FMC), which outlines its approach to assessing the reasonableness of detention and demurrage regulations and practices of carriers and marine terminal operators in the US.

"The Interpretive Rule will bring much needed clarity to the US freight forwarding community on fair and reasonable demurrage and detention practices, especially in the context of the unprecedented COVID-19 crisis," said Ms Nicolette van der Jagt, Director General of CLECAT. "Albeit bound to the US rulemaking, the new guidance is expected to have a significant impact on demurrage and detention charging practices worldwide," she underlined, adding that CLECAT in particular welcomes the FMC consideration of the need for equal treatment between merchant and carrier haulage, fair and reasonable free periods, as well as caps on demurrage and detention charges.

Published on 28 April 2020, the new rule, "[Docket No. 19-05, Interpretive Rule on Demurrage and Detention under the Shipping Act](#)", 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.

CLECAT also compliments the pragmatic approach to a stakeholder consultation process, taken by FMC Commissioner Rebecca Dye throughout the investigation. The Interpretive Rule is the finalisation of a nearly four-year-long process, initiated by a petition from a coalition of shipper and forwarder groups, arguing that demurrage and detention practices unfairly penalised them for circumstances outside their control, which in turn prompted the [Fact Finding 28](#) exercise by the FMC. "The FMC has listened to the complains of various industry stakeholders and has over a period of a few years conducted extensive fact-finding meetings, making a real effort to understand the trade," explained Ms van der Jagt. "By adopting the Interpretive Rule, the FMC provided full transparency to all the parties involved. This serves as a clear example for the decision-makers in the EU," she argued.

To note, CLECAT has recently issued a [Briefing & Industry Recommendations Paper on Demurrage & Detention Practices in Shipping](#), which calls for a more transparent process with regards to the determination of detention and demurrage practices in container shipping. The paper collects information on the detention and demurrage practices, which are of concern to freight forwarders in different parts of Europe as well as on a global level. On the basis of the discussions and the exchange of practices among its members, CLECAT has also drafted a number of industry recommendations.

Brexit

EU-UK NEGOTIATIONS STATE OF PLAY

From 20 to 24 April, the EU and the UK held the second round of negotiations on their future partnership. The aim for the second round was to advance on all areas of the negotiation in parallel – including the most difficult areas identified in the first round. The round enabled the parties to identify areas where their positions were close – at least on the technical level. However, the goal of achieving parallel progress on all areas was only very partially achieved. The four fundamental areas on which the progress that week was disappointing remained the same as in the first round of negotiations: the level playing field, overall governance of the future relationship, police and judicial cooperation in criminal matters, and fisheries.

On 30 April, the EU and the UK held the first Specialised Committee meeting on the implementation and application of the Protocol on Ireland and Northern Ireland. The parties took stock of the implementation efforts from both parties. In this context, the European Commission's Task Force for Relations with the UK had prepared a [technical note](#), outlining all measures that the UK must take as soon as possible in order to comply with its obligations under the Protocol which become applicable as of the end of the transition period.

The third round of negotiations between the EU and the UK is taking place from 11 to 15 May. The [agenda](#) for the third round covers all areas of the negotiation, including the areas where limited progress was achieved during the previous two rounds. The fourth round is scheduled in the week of 1 June. A high-level conference is foreseen to take place in June to take stock of the progress in the negotiations. The conference will also be an occasion to take stock on what real progress the UK has made for the implementation of the Protocol on Ireland and Northern Ireland. The EU and the UK will have the possibility to jointly decide by 30 June on the extension of the transition period, according to the possibility that is foreseen in the Withdrawal Agreement, and taking into account the progress made in the negotiations.

More information on the ongoing negotiations between the EU and the UK you can find on the dedicated Commission [webpage](#).

Customs and Trade

EU TRADE DEFENCE REPORT 2019

On 4 May, the European Commission published the [38th annual EU trade defence report](#). The report provides key information on the EU's anti-dumping (AD), anti-subsidy (AS) and safeguard activities, as well as the trade defence activity of third countries against the EU in 2019.

The report finds that at the end of 2019, the EU had 140 trade defence measures in force: 94 definitive AD measures (which were extended in 27 cases), 15 countervailing measures (extended in one case) and 3 safeguard measures. This constitutes an increase of 5% in trade defence measures compared to 2018. The highest number of EU measures concerned imports from China (93 of the existing anti-dumping and anti-subsidy measures), Russia (10 measures), India (7 measures) and the US (6 measures). Investigative work further increased compared to 2018.

The Commission report further demonstrates the effectiveness of trade defence measures in restoring a level playing field in the EU market. On average, the imposition of AD and AS duties brought unfair injurious imports down by 80% and at the same time, contributed to broaden the sources of supply that EU importers and users need, in the form of increased fair imports from other countries, in addition to the EU's own production. The measures imposed in 2019 also contributed to an increase of the number of jobs benefitting from trade defence instruments measures by 23,000.

The report is accompanied by a [Commission Staff Working Document](#), providing more detailed information and statistics on the Commission's annual activity.

Source: [European Commission](#)

WCO AND OLAF JOINT EFFORTS TO FIGHT FRAUD

On 6 May, the World Customs Organization (WCO) announced that it has stepped up joint efforts with the European Anti-Fraud Office (OLAF) to fight fraud through improved information sharing. The two organizations have, in April this year, linked the WCO's Customs Enforcement Network (CEN) database and the Customs Information System (CIS+) of OLAF. The machine-to-machine connection will enable the fully automated transfer of data on tobacco seizures carried out within the EU between the two anti-fraud bodies. As a result, Customs administrations worldwide will have access to non-personal

data on tobacco smuggling within 24 hours of it being shared by their counterparts in the EU Member States.

The WCO and OLAF have shared data on tobacco seizures since 2003, on the basis of "one seizure, one report". This has significantly simplified the work of Customs administrations when it comes to sharing information that is automatically replicated in different databases and IT systems. Given the advances in digital technology, and with the mutual goal of making reporting easier for their members, both organizations agreed to develop a machine-to-machine connection between their respective databases.

Source: World Customs Organization

General

EU SETS UP HUMANITARIAN AIR BRIDGE

On 8 May, the European Commission set up an EU Humanitarian Air Bridge to transport humanitarian workers and emergency supplies for the coronavirus response to some of the most critical areas around the world.

The first EU flight, operated in cooperation with France, is departing from Lyon and will transport around 60 humanitarian workers from various NGOs and 13 tonnes of humanitarian cargo. Two subsequent humanitarian cargo flights will follow in the coming days to transport a further 27 tonnes of humanitarian supplies in total. On their return leg, the Air Bridge flights will also bring back EU citizens and other passengers from the Central African Republic in a repatriation effort. More EU humanitarian flights are being scheduled for the coming weeks, prioritising African countries where the pandemic has the potential to worsen many existing humanitarian crises.

The Humanitarian Air Bridge works in a joint effort between the Commission and Member States, where the Commission funds air transport of Member States' flights to and from the proposed destinations, where possible combined with ongoing repatriation flights.

Source: European Commission

Forthcoming Events

EVENTS AND MEETINGS

CLECAT Board Meeting
14 May 2020, Online Meeting

CLECAT Air Freight Logistics Institute
15 May 2020, Online Meeting

CLECAT Maritime Logistics Institute
19 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
11 May, 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

 @CLECAT_EU
www.CLECAT.org

CLECAT
European Association for Forwarding,
Transport, Logistics and Customs Services