

# NEWSLETTER

NEW FUROCONTROL DRAFT TRAFFIC SCENARIOS

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## **Brussels News**

#### EC REVEALS STRICTER EU 2030 EMISSIONS TARGET

In her State of the European Union (SOTEU) address delivered on 16 September, European Commission President Ursula von der Leyen told the European Parliament that she will seek to reduce the EU greenhouse gas (GHG) emissions to 55% by 2030, compared to the 1990 levels.



The European Commission Vice-President Frans Timmermans who is in the lead on the European Green Deal and the EU Commissioner for Energy, Kadri Simson, held a press conference on Thursday this week, explaining how the Commission is planning to reach the new 55% emission reduction target by 2030. They set out the 2030 Climate Target Plan, in which the decarbonisation and emission reduction of the road transport sector plays a key role.

Mr Timmermans explained that carbon pricing through the EU Emission Trading System (EU ETS) has proven effective, adding that the Commission is going to look into expanding the ETS system to road transport. As reported last week, Timmermans is personally sceptical about whether the EU ETS is the right measure to decarbonise the road transport sector. However, he noted at the Thursday's press conference that he is "very open to being convinced".

By June 2021, the Commission will present legislative proposals to achieve the new 55% emissions reduction target. Ms Simson explained that every angle of transport must be evaluated, including CO2 emission performance standards for vehicles, clean alternative fuels and infrastructure, as well as smart traffic management systems. She also referred to the upcoming Strategy for Smart and



Sustainable Mobility under the portfolio of Commissioner for Transport, Adina Vălean, as highly relevant. In addition, Ms Simson noted that the transport sector has to increase its share of renewable energy to 24% by 2030 in order to reach the target, adding that electric and hydrogen will be key in decarbonising heavy-duty transport.

The full Commission communication on stepping up the 2030 climate ambition of the EU can be accessed here. CLECAT will provide its members with a more in-depth analysis shortly.

### Road

#### **CLECAT ROAD INSTITUTE MEETS**

The Road Logistics Institute of CLECAT met this morning, by means of a video-conference, to exchange views on a long agenda of issues, which are relevant for freight forwarders involved in international road freight transport. Members received updates on developments at national level, in particular in view of the ongoing impact of the COVID-19 pandemic.

A comprehensive exchange of views took place on the CLECAT response to the public consultation on the EU Strategy for a Sustainable and Smart Mobility, which will aim to achieve the 90% reduction in transport emissions across all modes by 2050, as well as on the accompanying position paper of CLECAT. Taking into consideration the impact of the COVID-19 pandemic on the transport and logistics sector, the strategy is supposed to set a pathway towards sustainable, digital, resilient and crisis-proof transport system of the future.

Members received detailed reports on the implementation of the Mobility Package I and the ongoing impact assessments on the cabotage restrictions of the road leg of combined transport as well as on the regular return of the vehicle/driver. CLECAT members were encouraged to seek feedback from their members as the consultation is open for the individual forwarders as well as the national associations until 25 September.

# Maritime

#### EP SUPPORTS EU ETS FOR SHIPPING

At its Plenary session on 16 September, the European Parliament adopted its position on the European Commission's proposal to revise the EU system for monitoring, reporting and verifying CO2 emissions from maritime transport (the EU MRV Regulation) with 520 votes to 94 and 77 abstentions.

Members of the EP largely agree that reporting obligations by the EU and the International Maritime Organisation (IMO) should be aligned, as proposed by the Commission. They note, however, that the IMO has made insufficient progress in reaching an ambitious global agreement on greenhouse gas (GHG) emissions. They ask the Commission to examine the overall environmental integrity of the measures decided by the IMO, including the targets under the Paris Agreement. A global ambitious agreement on GHG emissions from shipping is urgently needed, they add.



Notedly, MEPs want maritime transport to be more ambitious and believes ships of 5000 gross tonnage and above should be included in the EU Emissions Trading System (ETS). However, they say that market-based emissions reduction policies are not enough and request that shipping companies reduce their annual average CO2 emissions per transport unit for all their ships by at least 40% by 2030.

The EP also calls for an Ocean Fund for the period from 2022 to 2030, financed by revenues from auctioning allowances under the EU ETS, to make ships more energy-efficient and to support investment in innovative technologies and infrastructure, such as alternative fuels and green ports. 20% of the revenues under the Ocean Fund should be used to contribute to protecting, restoring and efficiently managing marine ecosystems impacted by global warming.

Source: **EP** 

#### US FMC NOTICE ON MONITORING CARRIER BEHAVIOUR

The US Federal Maritime Commission (FMC) posted a statement in which it noted that a non-public meeting was held yesterday to review market trends in trade lanes serving the United States and actions taken by both individual ocean carriers and global alliances in response to COVID-19 and related impacts to the shipping industry. In notice FMC stated that it is closely monitoring blank sailings, utilisation of equipment and "revenue trends" in the current volatile environment in the eastbound trans-Pacific.



Although the FMC does not plan any immediate action, the FMC said that steps could be taken if it detects possible anti-competitive behaviour by carriers. The FMC could launch a fact-finding investigation or even petition a federal court to take legal action. "If there is any indication of carrier behaviour that might violate the competition standards in section 6(g) of the Shipping Act, the FMC will immediately seek to address these concerns with the carriers. If necessary, the FMC will go to federal court to seek an injunction to enjoin further operation of the non-compliant alliance agreement," the announcement reads.

Specifically, the FMC said it had received "detailed reports that addressed trends in spot rates, longerterm service contracts, utilisation of equipment, blanked sailings, revenue trends, the policies of individual carriers and global alliances for service changes, as well as what notice must be provided to the FMC when there are blanked, cancelled or amended voyages. "The FMC is actively monitoring for any potential effect on freight rates and transport service levels, using a variety of sources and markers, including the exhaustive information that parties to a carrier agreement must file with the agency," it added.

Notedly, the message from the FMC followed one delivered last Friday by the Chinese Ministry of Transportation and Communication, which suggested in a Shanghai meeting that carriers in the eastbound trans-Pacific add capacity and be less aggressive in increasing freight rates to protect the competitiveness of Chinese exporters.



### Air

#### EC TO EXTEND SLOT WAIVER FOR WINTER SEASON 2020/2021

On 14 September, the European Commission's DG MOVE published a report on the evolution of air traffic and slot-usage during the COVID-19 pandemic, and announced its intentions for extending the current slot waiver rule for the Winter Season 2020/2021 in view of the ongoing developments. During that time, the industry stakeholders shall abide by the agreed conditions voluntarily, while the Commission will work on adoption of fully enforceable conditions.

The report summarises the observations of the Commission's monitoring of air traffic and the COVID-19 situation in view of possibly extending the slot-waiver, in accordance with its obligation under Article 10a(5) of the Slot Regulation. It notes that air traffic levels remain low, and are not likely to recover in the near future. With regards to the slot waiver rule, the Commission observed that while the initial slot waiver was beneficial, certain issues arose with it, which would need to be addressed.

In a statement accompanying the publication of the report, Commissioner for Transport, Adina Vălean noted: "To address the need for certainty and responding to traffic data, I intend to extend the slot waiver for the 2020/2021 winter season, until 27 March 2021. I appreciate that industry stakeholders - airports, airlines, and slot-coordinators - have reached an agreement on how to mitigate these problems, and I would like to highlight the importance of this agreement. Airlines will now be able to start planning and making available any excess airport capacity for others to use. I expect the industry to abide by the agreed conditions voluntarily during the 2020/2021 winter season, pending the adoption of fully enforceable conditions"

The full statement is available here.

#### **2020 DIGITAL CARGO WEBINARS**

From 15 September to 1 October, IATA is organising the Digital Cargo Webinars, which replace the regular Geneva Event. This free online event, which gathers participants from all over the world, presents a series of topics, including sessions on ONE Record, Digital Connectivity, Interactive Cargo, Customs and Mail, and the results from the 2020 Hackathon.

The detailed program can be found here. The webinars are also being recorded and can be accessed through the respective links in the program.

#### **NEW EUROCONTROL DRAFT TRAFFIC SCENARIOS 2020-2021**

On 14 September, EUROCONTROL, the pan-European, civil-military organisation dedicated to supporting European aviation, revised downwards its Draft Traffic Scenarios up to February 2021. Under its new "Current Status Scenario", the total number of flights expected in Europe is anticipated to be 55% lower than in 2019, a drop of 6 million fewer flights, or a further 1 million reduction in European flights than previously anticipated.

EUROCONTROL had previously produced Draft Traffic Scenarios on 24 April, based on a "Coordinated Measures Scenario", which remained accurate for April through the end of August and predicted a gradual recovery from -89% in April to -50% in August. This prediction was correct (+/- 1% each



month). That scenario had indicated a drop of 45% or 5 million fewer flights. That scenario also assumed that if the trend remained positive, the gradual recovery could potentially continue for the rest of 2020 and assumed a restoration of some inter-continental operations.

Source: **EUROCONTROL** 

#### **EASA COMPLETES BOEING 737 MAX TEST FLIGHTS**

On 11 September, the European Union Aviation Safety Agency (EASA) announced that it completed its test flights of the Boeing 737 MAX, which took place in Vancouver (Canada) due to COVID-19 travel restrictions. EASA has been working steadily, in close cooperation with the FAA and Boeing, to return the Boeing 737 MAX aircraft to service as soon as possible, but only once it is safe.

As the next step in its evaluation of the aircraft for return to service, EASA is now analysing the data and other information gathered during the flights in preparation for the Joint Operations Evaluation Board (JOEB). The JOEB is scheduled to start next week in London, Gatwick (United Kingdom).

Source: **EASA** 

### Rail

#### EP VOTES ON SUSTAINABLE RAIL MARKET IN VIEW OF COVID-19

On 17 September, the European Parliament's plenary voted in favour of the proposal for a Regulation establishing measures for a sustainable rail market in view of the COVID-19 pandemic, which was published by the European Commission on 19 June. The Council is taking its decision urgently in parallel. The Regulation intends to complement the existing rail-related framework of COVID-19 response measures.

The measures shall allow national authorities and rail stakeholders to deal more easily with a number of negative consequences of the COVID-19 pandemic, and to respond to the urgent needs of the railway sector as long as those consequences persist. Such measures concern notably the waiver, reduction or deferral of track access charges for the use of rail infrastructure, as well as the waiver of reservation charges. The measures will allow EU Member States to waive track access charges and mark-ups applicable to freight trains, as well as waiving reservation fees which apply to cancelled train paths. The measures cover a reference period from 1 March 2020 until 31 December 2020, in respect of which charges may be altered, by derogation from Article 27 of Directive 2012/34/EU. The European Commission may extend the validity of the European

CLECAT welcomes the positive vote of the European Parliament on reducing the track access charges to support the industry and looks forwards to the adoption by the Council. However, CLECAT emphasises the importance of the cost-reduction being passed on to the end-customer, as the introduction of such a measure should benefit and support the industry as a whole. If the Infrastructure Managers would not pass onwards the benefit granted, it would have no effect on the remaining industry players.



# Sustainable Logistics

#### TECHNOLOGY NEEDS IN LONG-DISTANCE TRANSPORT

The International Energy Agency (IEA) has published a new report entitled "Energy Technology Perspectives 2020", which highlighted that in 2019 transport accounted for nearly 30% of global final energy use and 23% of total energy sector direct CO2 emissions. Reducing oil use and CO2 emissions in long-distance transport modes – trucking, shipping and aviation – is particularly difficult because of their energy and power density requirements: technically viable alternative fuel technologies are not yet very advanced and are also likely to initially cost more than oil-based fuels.

The IEA researchers have found that in the 'sustainable development scenario' operational and technical innovations unlock energy efficiency gains in the short to medium term, while switching to low-carbon fuels and electric powertrains drives emissions reductions in the long term. Yet none of the three sub-sectors is decarbonised by 2070 when collectively they emit 1.0 GtCO2.

In trucking, electricity and hydrogen dominate the fuel mix in 2070, powering vehicles that no longer rely on internal combustion engines. This hinges on rapid developments in batteries and fuel cells, as well as massive investment in new infrastructure, including hydrogen refuelling stations, fast chargers for electric trucks and electric road systems (which power vehicles as they drive).

In maritime shipping, biofuels, ammonia and hydrogen meet more than 80% of fuel needs in 2070, using around 13% of the world's hydrogen production. Energy efficiency also makes a significant contribution. These changes require further tightening of efficiency targets and low-carbon fuel standards to close the price gap with fossil fuels and de-risk investment.

In aviation, where technical fuel requirements are most stringent, biofuels and synthetic fuels account for three-quarters of the fuel demand in 2070. Synthetic fuels, which do not face the same supply constraints as biofuels, increase from about 2030 to meet almost half of demand by 2070. Policies will need to manage demand growth and promote new aircraft and engine technologies.

The decarbonisation of these sub-sectors will require long-term planning and government support. R&D of alternative powertrains and fuels is needed to reduce costs and improve performance, and measures to develop associated infrastructure. More than 60% of the emissions reductions in 2070 come from technologies that are not commercially available today.

Source: <u>IEA</u>

# Customs and Trade

#### **EU RECOGNITION FOR CUSTOMS ACADEMIC PROGRAMMES 2021**

On 17 September, the European Commission launched the third cycle 2020-2021 of the EU Recognition for Customs academic programmes (Bachelor's, Master's, and modules within those programmes). The aim is to equip students with the optimal competencies to engage in – or further advance in – their Customs career, both in public and in private sectors. Such recognised academic



programmes are expected to significantly contribute to the rise of Customs performance and professionalism.

Recognised Customs academic programmes (or modules thereof) can make use of the official EU Customs Certificate of Recognition identification statement and will be included in the publicly available list of EU Recognised Customs Academic Programmes.



the EU Certificate of Recognition is based on the EU Competency Framework for Customs (CustCompeu) and explained in the Application Guide.

The European Commission is inviting academic institutions, interested obtaining the EU Certificate of Recognition acknowledging the quality of their customs specific study programmes with a label of excellence awarded by the European Commission, to submit their application by **31 December 2020**. The process to obtain

All further documentation on the EU Recognition process is available online.

For more information you can contact the EU Certificate of Recognition Secretariat.

# Forthcoming Events

#### **EVENTS AND MEETINGS**

#### **CLECAT Air Logistics Institute**

22 September 2020, Online Meeting

#### **CLECAT Supply Chain Security Institute**

22 September 2020, Online Meeting

#### **CLECAT Customs and Indirect Taxation Institute**

24 September 2020, Online Meeting

#### **CLECAT Road Logistics Institute**

5 November 2020, Online Meeting

#### **CLECAT Maritime Logistics Institute**

10 November 2020, Online Meeting

#### **CLECAT Freight Forwarders Forum**

12 November 2020, Online Event

#### CLECAT Board/General Assembly

13 November 2020, Location TBC



#### **EVENTS WITH CLECAT PARTICIPATION**

#### Decarbonisation of Heavy Transport & the Role of Hydrogen

1 October 2020, Online Event

#### **Global Liner Shipping Conference**

4-5 November 2020, Online Event

#### European Environmental Ports Conference

4-5 November 2020, Rotterdam

#### **Digital Transport Days**

1 December 2020, Online Event

#### **Competition Law in Transport**

1 December 2020, Brussels

#### **EU MEETINGS**

#### **Council of the European Union**

#### **Transport Council**

28 September 2020, Brussels

#### **Environment Council**

23 October 2020, Luxembourg

#### **European Parliament**

#### **European Parliament Transport Committee**

23-24 September 2020, Brussels

#### **European Parliament Plenary**

14-17 September 2020, Strasbourg

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