

NEWSLETTER

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Brussels News

FFF2020: 'LOGISTICS PUT TO TEST AT TIMES OF CRISIS'

We have launched the programme of the CLECAT Freight Forwarders Forum, a full day online event on the **12**th of **November**. Entitled 'Logistics put to test at times of crisis', the event features four sessions following a 'set the scene' panel on 'what we have learned so far from the crisis':



- Liner shipping put to test: serving global trade at times of crisis
- Future EU-UK relationship: implications for logistics and customs
- Mobilising European freight forwarders to take action to reduce emissions
- Air cargo logistics supply chains put to test at times of COVID-19

The event will focus on the current challenges to logistics operations and the response from authorities and the European Commission to the COVID-19 crisis, in an effort to combine the EU Green Deal objectives and the recovery towards green and digital solutions, to ensure that the transport sector comes out of the crisis reinforced.

Confirmed speakers include **Maja Bakran Marcich**, Deputy Director General, DG MOVE, **Stijn Rubens**, Drewry, **Olaf Merk**, ITF, **Daniel Boeshertz**, DG COMP, **Lamia Kerdjoudj-Belkaid**, FEPORT, **Chris Taylor**, UK Mission to the EU, **Sophie Punte**, Smart Freight Centre, **Paul Crombach**, KLM Martinair Cargo and many others.

More information on each session and a detailed programme is available on the <u>CLECAT website</u>. Registration is possible here.



Brexit

EU LEADERS DISCUSS EU-UK RELATIONS

On 15 October, EU leaders met in Brussels to discuss, among other things, the EU relations with the United Kingdom. In its conclusions, the European Council recalled that the transition period will end on 31 December 2020 and noted with concern that progress on the key issues of interest to the Union was still not sufficient for an agreement to be reached.

The European Council reaffirmed the Union's determination to have as close as possible a partnership with the United Kingdom on the basis of the negotiating directives of 25 February 2020, while respecting the previously agreed European Council guidelines, as well as statements and declarations, notably those of 25 November 2018, in particular as regards the level playing field, governance and fisheries.

Against this background, the European Council invited the Union's chief negotiator to continue negotiations in the coming weeks and called on the UK to make the necessary moves to make an agreement possible.

As regards the Internal Market Bill tabled by the UK government, the European Council recalled that the Withdrawal Agreement and its Protocols must be fully and timely implemented.

The European Council called upon Member States, Union institutions and all stakeholders to step up their work on preparedness and readiness at all levels and for all outcomes, including that of no agreement, and invited the Commission, in particular, to give timely consideration to unilateral and time-limited contingency measures that are in the EU's interest.

Source: **European Council**

Road

COUNCIL RECOMMENDATION TO EXEMPT DRIVERS FROM QUARANTINE REQUIREMENTS

On 13 October, the Council adopted a recommendation on a coordinated approach to the restriction of free movement in response to the COVID-19 pandemic. This recommendation aims to avoid fragmentation and disruption, as well as to increase transparency and predictability for citizens and businesses.

Most importantly, the Council recommends the Member States to exclude transport workers or transport service providers, in particular the drivers of trucks or any other freight vehicles, from any mandatory quarantine obligation as they undertake an essential function. The relevant text of the Council recommendation goes as follows:



"Travellers with an essential function or need should not be required to undergo quarantine while exercising this essential function, in particular: (b) transport workers or transport service providers, including drivers of freight vehicles carrying goods for use in the territory [of the EU] as well as those merely transiting."

The full text of the recommendation can be found here.

Maritime

FEWER CONTAINER ROLLOVERS AT MAJOR PORTS

Fewer containers are being 'rolled' at major ports, according to new data from predictive ocean container tracking data provider Ocean Insights.

The analyst has revealed that the rate of container rollovers at the world's largest transhipment ports has begun to decline as carriers have returned capacity to major trades – but the number remains significantly higher than a year ago. Overall, 20-33% of transhipment cargo was subject to rollovers, adding to supply chain struggles, created by vessel capacity and equipment shortages and localised port congestion.



"Schedules are clearly still suffering significant disruption and, in many ports, this is being exacerbated by equipment shortages which are adding to rate inflation and logistics bottlenecks and inefficiencies," said Josh Brazil, Chief Operations Officer at Ocean Insights. "As a result, carriers are frequently rolling cargo, which can result in significant delays and knock-on costs for customers, especially if they are not notified by the line in advance, which customers tell us is quite common," he explained,

adding that "early indications this month suggest supply chain disruptions and significant rollovers will continue deep into the fourth quarter, as peak season demand continues to surprise."

Ocean Insights data also shows many of the leading carriers managed to reduce their rate of transhipment rollovers - defined as "the percentage of cargo carried by each line globally that left a transhipment port on a different vessel than originally scheduled". "Last month, the leading lines collectively saw rollovers recede last to 26.9% compared with 30.7% in August," it said, although its data also revealed a wide disparity between carrier performance.

In overall terms, CMA CGM was the worst for rollovers, with 40.6% in September, although that did represent an improvement on August's figure of 45.8%. The best performer was MSC, which rolled over 16.2% in September, compared with 18.2% in August, followed by Cosco, with 23.7% and 30.1% respectively. Most carriers managed to improve their rollover figures between August and September.

Source: Loadstar



Rail

COUNCIL ADOPTS CHANNEL TUNNEL RAILWAY SAFETY MEASURES

On 14 October, the Council adopted legislation to ensure the safe and efficient operation of the Channel Tunnel railway connection (Channel Fixed Link) between continental Europe and the United Kingdom after the end of the Brexit transition period. This legislation would allow the same legal regime to continue to apply to all rail issues within the geographic scope of the Channel Tunnel concession, including the section under UK jurisdiction, and it would also allow a single safety authority to be maintained to oversee the application of the rules.

All matters concerning the operation of the Channel Fixed Link are supervised by an intergovernmental commission established by the Treaty of Canterbury, signed by France and the UK in 1986.

The legislation adopted consists of a Regulation amending the EU railway safety and interoperability rules and a Decision empowering France to negotiate, sign and conclude an amendment to the Canterbury Treaty so that the intergovernmental commission can be maintained as the competent safety authority for the application of EU law within the Channel Fixed Link.

The Council adopted the decision and the regulation by written procedure. The European Parliament voted on the legislation on 8 October 2020 (CLECAT Newsletter 2020/36 refers), and its position reflected what had previously been agreed between the institutions.

The legal acts are expected to be signed by both institutions in the margins of the Parliament's plenary session in the following week and to be published in the EU Official Journal on 22 October.

Source: Council of the European Union

LATVIA AND ESTONIA JOIN RFC NORTH SEA-BALTIC



On 12 October, Latvia and Estonia officially joined the Rail Freight Corridor North Sea-Baltic (RFC 8), almost five years after its establishment. The connection to Riga and Tallinn became part of the European rail freight corridor network, strengthening the existing freight transportation routes.

Rail Freight Corridor North Sea-Baltic is a European project with the aim of improving the attractiveness and efficiency of rail freight by providing a seamless and good quality path offer along the Corridor.

The Corridor routing has been extended from Kaunas (Lithuania) to Riga (Latvia) and Tallinn (Estonia) as a main route and from Kaunas to Vilnius (Lithuania), Daugavpils and Krustpils to Riga (Latvia) as a diversionary line. All these lines have a track gauge of 1520mm. This interface between standard and broad gauge, together with the strategic location of Latvia and Estonia shall contribute to a better



connectivity of the European Union with the East and Asia, as well as open multimodal transportation opportunities from the Baltic Sea ports to the North Seaports. From now on, capacity can also be requested on these lines via the Corridor One-Stop-Shop, the single contact point for all Corridor requests.

Source: Rail Freight Corridor North Sea – Baltic

TRANSLATE4RAIL PILOT HAS STARTED

Recently, the pilot for a translating tool to overcome the language barrier in international rail freight, started. While rail freight relies heavily on cross-border exchanges, interoperability barriers still exist, such as the B1-level language proficiency requirement. To overcome this barrier, the International Union of Railways (UIC) and RailNetEurope (RNE) launched the Translate4Rail joint project on 1 December 2019, which is <u>financed from the Shift2Rail fund</u> of the European Union.

Work on the tool started in May 2020, delivering first results in August 2020 in the form of the first Language Tool prototype. Subsequently, some first tests were conducted, and the tool improved accordingly, to be ready for pilot testing from September 2020. The T4R Language Tool prototype is now ready to be tested within pilot tests proving the concept of pre-defined messages as well as for speech-to-speech translation of communication between traffic controllers and train drivers.

The Language Tool will undergo testing on the Villach - Tarvisio (Pontteba) border section and Infrastructure Managers ÖBB Infra and RFI, together with Railway Undertakings Mercitalia, DB Cargo and RCG, are going to start with the laboratory phase of the tool testing. In a second step, based on the laboratory test results, the tool will progress to a field-testing phase to evaluate the tool's functionalities in daily operation. With this approach, Railway Undertakings (RUs) and Infrastructure Managers (IMs) are making progress in an aligned way to overcome the language barrier.

Source: RailNetEurope

Air

EU SLOT WAIVER EXTENSION PUBLISHED

On 14 October, the European Commission extended the slot waiver for the 2020/2021 winter season, until 27 March 2021, by means of Delegated Regulation (EU) 2020/1477. This follows the announcement made by Commissioner for Transport, Ms Adina Vălean, on 14 September.

"The Coronavirus pandemic has had a tremendous impact on air travel and the aviation sector as a whole," said EU Transport Commissioner Vălean. "In extending the waiver, we are responding to traffic data, which show the number of flights in September was still 54% down in September 2019 and traffic is unfortunately unlikely to recover in the near future. This extension provides certainty for airlines, airports and passengers."

Traffic is predicted to still be down 50% in February 2021. In accordance with the previous Commission's statement from 14 September, the Commission expects the industry to respect the conditions agreed voluntarily between all market players for the upcoming winter season, pending the adoption of fully enforceable conditions.



Sustainable Logistics

NEW GUIDANCE ON LOW-EMISSION FUELS AND VEHICLES

On 13 October, a new industry guidance was launched to support the transition to zero emissions for different stakeholders: freight transport operators and buyers, energy and infrastructure providers, vehicle and engine manufacturers and policy makers.

The major aim of the introductory guide, entitled 'The Low Emission Fuels and Vehicles for Road Freight', is to create a common starting point for all the stakeholders in order to make emission calculations more consistent and reliable and to inform better and aligned decision-making regarding the uptake of low-emission fuels (natural gas, biofuels) and electric vehicles (electricity and hydrogen) for the road freight sector.

They guide also includes recommendations for improving emissions calculation and increasing uptake of low emissions fuels and vehicles. The key messages are as follows:

- Companies need to balance what they can do in the short term (e.g. biofuels and urban electric freight vehicles) with preparing for a full switch to electric/hydrogen for the entire trucking fleet.
- The true climate impact from fuels and vehicles can only be determined by calculating emissions from the full fuel/energy life cycle, or 'well-to-wheel' rather than fuel combustion only or 'tank-to-wheel'.
- The total emissions of operation (TEO) should be considered alongside the total cost of operation (TCO) of electric freight vehicles so that companies can be assured that their investment makes economic and environmental sense.

The full guide can be found here, whereas the executive summary is available here. Notedly, it was developed by the Smart Freight Centre, with support from the Global Logistics Emissions Council (GLEC) and funding by the Dutch Ministry of Infrastructure and Water Management and the Dutch Enterprise Agency (RVO).

Forthcoming Events

EVENTS AND MEETINGS

CLECAT Rail Logistics Institute 20 October 2020, Online Meeting

CLECAT Board

21 October 2020, Online Meeting

CLECAT Brexit 2021 Preparedness Meeting

29 October 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, Online Meeting

EVENTS WITH CLECAT PARTICIPATION

Low Emissions Energy for Freight and Logistics

4 November 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

18 November 2020, Online Event

Competition Law in Transport

1 December 2020, Brussels

EU MEETINGS

Council of the European Union

Transport Council

8 December 2020, Brussels

Environment Council

23 October 2020, Luxembourg

European Parliament

European Parliament Transport Committee

28-29 October 2020, Brussels

European Parliament Plenary

19-23 October 2020, Strasbourg



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