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Brussels News

CLECAT WELCOMES NEW EC APPROACH TO SUSTAINABLE, SMART AND FUTURE-PROOF TRANSPORT IN THE EU



CLECAT welcomes the pragmatic approach and policy directions, outlined in the Sustainable and Smart Mobility Strategy for Europe, published yesterday by the European Commission. The strategy recognises the important role of freight transport and mobility, which will only continue to increase, in ensuring a switch towards a sustainable, smart and resilient mobility system of the future.

Avoiding forced modal shift policies: The core of the new strategy, replacing the vision of the 2011 White Paper on Transport, is based on the recognition that all transport modes are essential for the EU and must all become more sustainable. However, in line with the EU Green Deal, the strategy also calls for a substantial part of the 75% of inland freight carried today by road to shift to rail and inland waterways. Whereas CLECAT supports the shift towards less carbon-intensive modes of transport, including short-sea shipping, we doubt that the Commission's modal shift ambition is realistic, given the limited progress achieved over the last decades. It is ultimately business that decides on the mode of transport, and if there are no reliable and economically viable alternative solutions, as well as sufficient capacity in rail and inland waterways, forced modal shift policies will fail.

Greening multimodal freight transport: CLECAT welcomes new efforts to revise the Combined Transport Directive, as this is key to support sustainable green freight transport solutions. However, given the political decisions by Member States to restrict cabotage operations for road transport, also in combined transport operations, we urge decision-makers to look beyond their borders and to support business in its wish to use more combined transport. CLECAT notes with interest that the Commission considers incentive mechanisms in a revised combined transport proposal, which should be based on impartial performance monitoring, according to a European framework to measure transport and logistics emissions. We therefore urge the Commission to base such a framework on the upcoming global ISO standard for the quantification and reporting of GHG emissions of transport and logistics operations, respecting the full-cycle ‘well-to-wheel’ approach.

Encouraging zero-emission transport: The Commission intends to realise zero-emission transport via stricter CO2 emission standards and investment in more charging options for zero-emission trucks and / or hydrogen fuelling stations. CLECAT believes there needs to be a clear pathway towards this goal, as business needs certainty when making investments in alternatively fuelled vehicles. A clear and concrete roadmap is required for a complete infrastructure roll-out, favouring the most cost- and resource-efficient solutions, also recognising the bridging technologies.

By 2030, the Commission also wants planes and ships to start using alternative fuels. CLECAT supports the switch to sustainable alternative fuels for these ‘hard to abate’ transport modes and also the market-based measures for charging. Indeed, the Commission will pursue a comprehensive set of transport pricing measures to encourage a switch towards greener options, such as emission trading, infrastructure charges, energy and vehicle taxes. In doing so, the Commission should be careful to avoid any possible double-charging burden for forwarding, transport and logistics companies.

Building smart and sustainable transport systems: The Commission is committed to stimulating digitalisation and innovative technologies, which the logistics sector supports, considering that their potential to enable increased efficiency and productivity of transport and logistics operations can have a substantial leverage in reducing their environmental impact. Sustainability, digitalisation and resilience are therefore rightly the most important pillars of the strategy that all go hand in hand.

Empowering cities to go emission-free: The Commission wants the 100 largest cities in the EU to become emission-free by 2030. CLECAT would welcome more harmonisation with respect to freight movement in urban areas, as the current patchwork of local policies and criteria is not helpful for companies or manufacturers aiming to bring cleaner urban vehicles to the market. However, the individual differences and infrastructure capacity in cities must be respected. This ambition would also require investment in more multimodal hubs.

Equipping workforce with a future-proof skillset: CLECAT recognises that more resilient and increasingly digitised and automated logistics sector requires a qualified workforce with well-developed digital skills. Therefore, the idea of the Commission to come forward with initiatives to increase the attractiveness of the logistics sector is highly welcomed. Finally, since the pandemic is ongoing, the COVID-19 recovery investments are needed to safeguard jobs and support the long-term sustainable solutions for decarbonising the freight transport sector.

CLECAT WELCOMES COUNCIL COMPROMISE ON EUROVIGNETTE

CLECAT appreciates the *de facto* compromise achieved today by EU Transport Ministers on the long-delayed reform of European truck tolling framework, following nearly four years of highly contentious negotiations among the Member States.



CLECAT believes that the Eurovignette Directive reform is a key tool for boosting investments in low-/zero-emission trucks and fuel-saving technologies, which are crucial for the road freight transport and logistics sector to comply with the ambitious EU Green Deal climate objectives. We are therefore of the view that a new road user charging framework, based on the differentiation of charges according to the CO2 emissions performance, is a powerful instrument, setting up appropriate green investment incentives and providing legal certainty for the industry, which in turn makes a rapid market uptake of new technologies and more fuel-efficient trucks more feasible. When accounting for this framework in their national legislation, the Member States should be careful to avoid any possible double-charging burden for forwarding, transport and logistics companies.

CLECAT is however disappointed that some of its long-standing concerns have not been addressed. This includes the call of CLECAT to apply road charging to all types of vehicles, without discriminating against road freight transport. The possibility for Member States to exempt certain vehicles from the scope of EU road charging legislation will result in significant market distortions in road transport. In particular, allowing the Member States to exempt the heavy goods vehicles of less than 12t for the next eight years, coupled with a possibility to exempt the vehicles between 3,5t and 7,5t, used for delivering goods produced on a craft basis, will create conditions for unfair competition and the unbalanced application of the ‘user pays’ and ‘polluter pays’ principles. It will also be problematic in terms of implementation and enforcement.

CLECAT also believes that the shift to a distance-based charging system, as originally envisaged by the European Commission, is essential to properly account for the environmental impact of vehicles. We therefore continue to encourage Member States to phase out the existing time-based charges for trucks.

Finally, allowing two or more Member States to levy a mark-up of more than 25% but not more than 50% of the infrastructure charge on the same corridor, but making the said mark-up dependent on the agreement between the involved Member States, may not be feasible in practice and possibly create trade obstacles for some countries.

With respect to the next steps, CLECAT welcomes the formal adoption of the Council agreement on 18 December 2020. We also encourage the forthcoming Portuguese Presidency to start the trilogue negotiations with the European Parliament and the Commission as soon as possible.

Brexit

EU CONTINGENCY MEASURES FOR TRANSPORT CONNECTIVITY

On 10 December, the European Commission proposed a set of targeted contingency measures covering basic air and road connectivity between the EU and the UK. The aim of these contingency measures is to cater for the period during which there is no agreement in place between the parties. If no agreement enters into application, the measures will end after a fixed period.

Under the [proposal on air connectivity](#), for a maximum duration of up to 6 months, air carriers from the UK will be allowed to fly across the territory of the Union without landing, make stops in the territory of the Union for non-traffic purposes, and perform scheduled and non-scheduled international passenger and cargo services between points in the UK and points in the EU (third and fourth ‘Freedom of the Air’). These arrangements would be subject to the UK conferring equivalent



rights to air carriers from the Union, as well as providing strong guarantees on fair competition and on the effective enforcement of these rights and guarantees.

According to the [proposal on road connectivity](#), Continued basic road freight connectivity will be ensured for a maximum duration of up to 6 months. This is conditional on the UK conferring equivalent rights to Union road haulage operators, and subject to the application of rules equivalent to those of the EU on fair competition as well as social and technical rules.

Concerning rail connectivity, the Commission recently adopted a [proposal for a Regulation](#) that would ensure that the Channel Fixed Link continues to operate after 1 January 2021, until other arrangements have been put in place (NL 2020/43 refers). This will ensure that trains will be able to circulate through the Channel Tunnel connecting the UK with the European continent.

The Commission has also provided various [sector-specific preparedness notices](#) with a view to supporting stakeholder preparations for the end of the transition period.

Source: [European Commission](#)

IMPLEMENTATION OF THE WITHDRAWAL AGREEMENT

On 8 December, the co-chairs of the EU-UK Joint Committee – European Commission Vice-President Maroš Šefčovič and the UK Chancellor of the Duchy of Lancaster, the Rt Hon Michael Gove - held a political meeting to address the outstanding issues related to the implementation of the Withdrawal Agreement. The two co-chairs announced, after the meeting, their agreement in principle on all issues, in particular with regard to the Protocol on Ireland and Northern Ireland. The agreement and the resulting draft texts will have to be formally adopted by the EU-UK Joint Committee before the end of the year.

In particular, an agreement in principle has been found in the following areas, amongst others: Border Control Posts/Entry Points specifically for checks on animals, plants and derived products, export declarations, the supply of medicines, the supply of chilled meats, and other food products to supermarkets, and a clarification on the application of State aid under the terms of the Protocol.

The parties have also reached an agreement in principle with respect to the practical arrangements regarding the EU's presence in Northern Ireland when UK authorities implement checks and controls under the Protocol, determining criteria for goods to be considered “not at risk” of entering the EU when moving from Great Britain to Northern Ireland, the exemption of agricultural and fish subsidies from State aid rules, the finalisation of the list of chairpersons of the arbitration panel for the dispute settlement mechanism so that the arbitration panel can start operating as of next year, as well as the correction of errors and omissions in Annex 2 of the Protocol. In view of these mutually agreed solutions, the UK will withdraw clauses 44, 45 and 47 of the UK Internal Market Bill, and not introduce any similar provisions in the Taxation Bill.

Source: [European Commission](#)

UK PREPAREDNESS

With 20 days until the end of the transition period, the UK Government continues to publish or further update relevant guidance documents, aiming to help businesses better prepare for the upcoming changes. In particular, the UK Government published a new guidance concerning [Trading and moving](#)



[goods in and out of Northern Ireland from 1 January 2021](#). Additionally, a new guidance was published on [Attending an inland border facility](#), which provides more information for heavy goods vehicle hauliers or drivers who attend an inland border facility, where customs and document checks can take place away from ports. Other guidance documents that were updated include:

- [Moving goods through the Port of Dover and Eurotunnel using common transit](#)
- [Moving goods through the Port of Dover and Eurotunnel with an ATA Carnet](#)
- [Moving goods through the Port of Holyhead with an ATA Carnet](#)

Additionally, a guidance was published on [How to move goods through ports that use the Goods Vehicle Movement Service \(GVMS\)](#). The UK Government also [opened the registration for the service](#).

The UK Government also updated its [Brexit transition communication resources](#) by adding a [checklist](#) to help traders prepare to move goods between Great Britain and Europe from 1 January 2021.

Maritime

RECORD SPOT RATES OUT OF ASIA

Spot rates of \$4,000 per FEU are “becoming the new normal” for most major container shipping lanes out of Asia, according to the latest pricing update from digital freight rates specialist Freightos.

In its latest weekly bulletin, it highlighted that “the sustained peak in ocean container shipping continued impacting the industry this week in the form of port congestion, scarce empty containers and sky-high rates now on all major lanes out of Asia”.

In addition to the Asia-US lanes that have had extremely elevated rates since September, it noted that “lanes from Asia to North Europe and to the Mediterranean have now joined Asia-US West Coast rates at about the \$4,000/FEU mark, with Asia-North Europe climbing 77% since the end of October, up 141% compared to last year, and Asia-Mediterranean hitting \$4,001/FEU this week, up 60% over the same period and 130% higher year on year.”

“The last time that market conditions grouped these three lanes along the same price point was in November 2019, but at a rate of about \$1,500/FEU – 37% of current prices,” Freightos explained. “The demand for ocean freight is so strong and the equipment shortage so widespread, that rates are being pushed up even with nearly all available capacity in the water, and carriers and even forwarders looking for ways to add more.

“Delays at some ports in Europe are so bad that CMA CGM announced it would not take any new Asia-North Europe bookings in December, and other carriers are skipping congested ports in the UK,” Freightos noted.

Source: [Lloyd’s Loading List](#)

DCSA STANDARDS FOR THE BILL OF LADING

On 8 December, the Digital Container Shipping Association (DCSA) published data and process standards for the submission of shipping instructions and issuance of the bill of lading (B/L). DCSA B/L standards are aligned with the UN/CEFACT (United Nations Centre for Trade Facilitation and Electronic



Business) multimodal transport reference data model to ensure a global industry framework that accelerates digitalisation through a unified industry effort.

This is the first publication of the multi-year DCSA eDocumentation initiative, which will deliver standards to enable digitalisation of end-to-end container shipping documentation, starting with the B/L. Through this initiative, DCSA aims to facilitate acceptance and adoption of an electronic bill of lading (eBL) by regulators, banks and insurers and to unify communication between these organisations and customers, carriers and all other stakeholders involved in a transaction.

The DCSA eBL standard publication comprises the following documents: DCSA Standard for the Bill of Lading 1.0, the DCSA Industry Blueprint 3.0, the DCSA Information Model 3.0 and the DCSA Interface Standard for the Bill of Lading. The Standard for the Bill of Lading, Industry Blueprint and Information Model are available on the DCSA [website](#). The Interface Standard will be available for download in January 2021.

Source: [DCSA](#)

Air

TRANSPORT COUNCIL DEBATE ON SINGLE EUROPEAN SKY

On 8 November, the EU Transport Council, chaired by the German Presidency, held a policy debate on the European Commission's [proposals](#) for an amended version of the Single European Sky (SES) regulatory framework, which was presented on 22 September. The discussions were based on the [Presidency Discussion Paper](#) containing questions to steer the debate.

During the discussion, Member States expressed support for the overall objectives of the SES, in particular in relation to the digital agenda and Green Deal goals, and they broadly welcomed the aim of simplifying and improving the existing legal framework. However, many ministers saw the risk that some of the proposed provisions would result in additional administrative burden and costs.

Some Member States considered that the proposals did not fully respect Member States' sovereignty and responsibility over their airspace in line with the Chicago Convention and the sovereign nature of air traffic services. They emphasised the need to fully reflect the principles of subsidiarity and proportionality in the rules, as well as the military, security and defence dimensions. According to the ministers, the reform should also take account of all specificities of different Member States. Moreover, they saw the need to clarify the benefits of the proposal to set up an independent European regulator, the Performance Review Body (PRB), within the European Aviation Safety Agency (EASA).

A number of ministers pointed out that the new rules should take into account the needs of all stakeholders and aim to pursue the objectives without creating any unnecessary administrative burden and costs. Member States deemed it necessary for the aviation industry to reduce its CO₂ emissions. However, several delegations mentioned that certain measures, such as the mandatory modulation of charges at European level or a common unit rate, would require further cost-benefit analysis.

Source: [Council of the EU](#)



AIR CARGO RECOVERY CONTINUES IN SEPTEMBER

The International Air Transport Association (IATA) released [data](#) for global air freight markets in October showing that air cargo demand, continued to improve but at a slower pace than the previous month and remains below previous year levels.

The data shows that global demand in October, measured in cargo tonne kilometres (CTKs), dropped 6.2% year-on-year. That is an improvement from the 7.8% year-on-year drop recorded in September. However, the pace of recovery in October was slower than in September with month-on-month demand growing 4.1%. Simultaneously, global capacity, measured in available cargo tonne kilometres (ACTKs), decreased by 22.6% in October year-on-year. That is nearly four times larger than the contraction in demand, indicating the continuing and severe capacity crunch.



In terms of regional performance, strong regional variations continue with North American and African carriers reporting year-on-year gains in demand (+6.2% and +2.2% respectively), while all other regions remained in negative territory year-on-year. European carriers reported a decrease in demand of 11.9% year-on-year, which marks an improvement from the 15.6% decrease in September 2020.

“Demand for air cargo is coming back—a trend we see continuing into the fourth quarter. The biggest problem for air cargo is the lack of capacity as much of the passenger fleet remains grounded. The end of the year is always peak season for air cargo. That will likely be exaggerated with shoppers relying on e-commerce—80% of which is delivered by air. So the capacity crunch from the grounded aircraft will hit particularly hard in the closing months of 2020. And the situation will become even more critical as we search for capacity for the impending vaccine deliveries” said Alexandre de Juniac, IATA’s Director General and CEO.

Source: [IATA](#)

STATES URGED TO FOLLOW GLOBAL GUIDELINES ON CREW TESTING

On 7 December, the International Air Transport Association (IATA) and the International Federation of Air Line Pilots’ Associations (IFALPA) [jointly called](#) on governments to follow the International Civil Aviation Organization (ICAO) [Council Aviation Recovery Task Force \(CART\) guidelines](#) to exempt crews from COVID-19 testing that is applied to air travellers.

The CART guidelines specifically recommend that crew members should not be subject to screening or restrictions applicable to other travellers. Furthermore, according to CART, health screening methods for crew members should be as “non-invasive as possible.” Despite this guidance, an increasing number of States are applying the same public health measures for crew that are applied to the general traveling public. Such measures include providing proof of a negative COVID test prior to departure and in some cases a second negative COVID test is required upon arrival. Furthermore, several civil aviation regulators only allow crew members with a negative COVID-19 PCR test certificate to layover in their respective countries.

Source: [IATA](#)



Rail

REDUCTION AND WAIVERS OF TRACK ACCESS CHARGES IN EUROPE

Following the introduction of [Regulation \(EU\) 2020/1429](#) establishing measures for a sustainable rail market in view of the COVID-19 outbreak, several EU Member States have already reduced or waived track access charges for rail freight undertakings. For instance, Germany and the Netherlands have cut them in half, while Austria and Luxemburg have waived them completely. Moreover, France which had waived track access charges for 2020, will continue implementing the measures for the first six months of 2021 and is also relinquishing cancellation fees. As an example of a non-EU Member State following similar procedures, Switzerland is moving in the same direction with regards to cancellation fees while the Swiss government announced its commitment to support the country's rail sector further, with compensations for losses.

It is expected that these measures enshrined in Regulation (EU) 2020/1429 will be prolonged beyond the current reference period end on 31 December 2020. The Rail Freight Forward Coalition, a coalition of European rail freight companies committed to increase the modal share of rail, has [appealed](#) to the EU Member States to seize this opportunity to facilitate the industry's economic survival and recovery. This shall be done by introducing a waiver of track access charges if they have not yet done so, and by supporting an extension of the measures beyond December 2020.

Supply Chain Security

FIRST SECURITY UNION PROGRESS REPORT PUBLISHED

On 9 December, the European Commission published its [first Progress Report on the EU Security Union Strategy](#), as part of its [EU Security Union Strategy 2020-2025](#). The report highlights actions taken at EU level under the 4 main priorities identified in the strategy: a future-proof security environment, tackling evolving threats, protecting Europeans from terrorism and organised crime, and a strong European security ecosystem.

The report, which covers the period from October 2019 to December 2020, includes a wide range of reporting on security policy, such as skills, awareness raising and education, following the whole-of-society concept of the new strategy. Its core theme is implementation of agreed decisions, which requires continued political and operational efforts by EU institutions and national authorities.

Source: [European Commission](#)

COMMISSION PRESENTED COUNTER-TERRORISM AGENDA

On 9 December, the European Commission presented a new [Counter-Terrorism Agenda](#) for the EU to step up the fight against terrorism and violent extremism and boost the EU's resilience to terrorist threats. The Agenda follows from the [EU Security Union Strategy](#) for 2020 to 2025, in which the Commission committed to focus on priority areas where the EU can bring value to support Member States in fostering security for those living in Europe.



Building on the work done in recent years, the Agenda seeks to support Member States in better anticipating, preventing, protecting and responding to the terrorist threat. Europol, the EU Agency for law enforcement cooperation, will deliver better operational support to Member States' investigations under the [revised mandate](#) proposed today.

The Commission notes that strengthening the counter-terrorism response must include reducing vulnerabilities that can be exploited or targeted by terrorists. In that regard anticipating blind spots remain key means of strengthening Europe's counter-terrorism response and staying ahead of the curve. In that regard it refers to EU aviation security risk assessments, which will be further developed, as well as the improvements of detection technologies. Moreover, critical infrastructure, including transport hubs, shall be made more resilient.

Source: [European Commission](#)

Customs and Trade

GLOBAL CUSTOMS COMMUNITY COMMITS TO FACILITATE THE CROSS-BORDER MOVEMENT OF COVID-19 VACCINES



At its 137th Session, the Customs Co-operation Council unanimously adopted a [Resolution on the Role of Customs in Facilitating the Cross-Border Movement of Situationally Critical Medicines and Vaccines](#). The Resolution marks an important milestone in the efforts of the global Customs community to mitigate the effects of the COVID-19 pandemic on economies and societies worldwide. It prescribes specific measures to be implemented by WCO Members and the Secretariat in view of supporting the COVID-19 vaccine global distribution effort, which is expected to be the world's largest and fastest vaccine distribution operation ever.

The measures to be implemented by Member Customs administrations span from actions aimed at facilitating the cross-border movement of situationally critical medicines and vaccines, and the containers and devices that will be used for their transportation to measures that will prevent the cross-border movement of dangerous, substandard or counterfeit medicines and vaccines and deter criminal organizations from exploiting the situation.

In line with the concept of Coordinated Border Management, Member Customs administrations are called upon to cooperate and coordinate with relevant government agencies and supply chain stakeholders. By the same token, the WCO Secretariat is urged to strengthen its cooperation with the World Health Organization, the International Civil Aviation Organization, the International Air Transport Association and other relevant intergovernmental organizations and supply chain stakeholders to ensure that timely and adequate information and guidance is made available to WCO Members.

Source: [World Customs Organization](#)



EU AGREES VAT RELIEF ON COVID-19 VACCINES AND TESTING KITS

On 7 December, the Council of the EU adopted [amendments](#) to the directive on the common system of value added tax (VAT) to allow EU countries to put in place a temporary VAT exemption for vaccines and testing kits being sold to hospitals, doctors and individuals, as well as closely related services. Currently, Member States can apply reduced VAT rates on sales of vaccines but cannot apply a zero rate, while testing kits cannot benefit from reduced rates. Under the amended Directive, Member States will be able to apply either reduced or zero rates to both vaccines and testing kits if they so choose.

The measures will apply until 31 December 2022 and only concern COVID-19 vaccines authorised by the Commission or by the member states and COVID-19 test kits that comply with the applicable EU legislation. They are based on a [Commission proposal](#) of 28 October (as part of the [Communication on additional COVID-19 response measures](#)), are designed to give better and cheaper access to the tools needed to prevent, detect and treat coronavirus.

Source: [Council of the EU](#)

Forthcoming Events

EVENTS AND MEETINGS

CLECAT Road Logistics Institute

15 December 2020, **Online Meeting**

CLECAT Maritime Logistics Institute

18 December 2020, **Online Meeting**

EU MEETINGS

Council of the European Union

Environment Council

14 December 2020, Luxembourg

European Parliament

European Parliament Transport Committee

11 January, Brussels (tbc)

25-26 January, Brussels (tbc)

European Parliament Plenary

14-17 December 2020, Brussels



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