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Brussels news

EUROPEAN BUSINESS NEEDS A SEAMLESS CUSTOMS TRANSITION TO AVOID A HEAVY BLOW FROM BREXIT

Some of the biggest EU business and trade bodies, which cover a whole host of economic activities and include most of the continent's leading representatives for the freight and logistics community issued a statement earlier this week urging EU and UK negotiators to put legal certainty and predictability for business and trade at the top of their negotiating agenda.

Amongst the signatories are the European Association for Forwarding, Transport, Logistics and Customs Services (CLECAT), The European Community Association of Ship Brokers and Agents (ECASBA), Freight Transport Association (FTA), the British Chambers of Commerce EU and Belgium (BCCB), The Association of European Vehicle Logistics (ECG), European Shippers Council (ESC), Global Shippers Forum (GSF), International Road Transport Union (IRU) and the World Shipping Council (WSC) with the full list viewable [HERE](#). The full statement reads as follows:

Brexit Transitional Period must be agreed as soon as possible to protect EU and UK competitiveness and ensure a frictionless customs and trade environment can be maintained, say top European businesses and trade bodies. Some of the biggest EU business and trade bodies, covering economic activities from raw materials and agriculture, transport and logistics to technology providers, financial services, veterinary services, wholesale and retail, strongly urge EU and UK negotiators to put legal certainty and predictability for business and trade at the top of their negotiating agenda. The group's priority for customs is the guarantee of a seamless transition period after March 2019, which replicates the current commercial, regulatory and trading environment. This guarantee should be provided urgently if it is to enable industry to plan and invest appropriately for what takes place in March 2019. The transition period should last until the commencement of a long term EU-UK



partnership agreement, the details of which must be known sufficiently in advance for businesses to adapt and implement any changes. That agreement must promote an economic and trading relationship that maintains and improves the mutually beneficial ties between the EU 27 and the UK: each of them being an economic and trade partner of paramount importance to the other.

It is clear there are significant questions that both sides need to discuss and resolve at the political level, but the group argues that both sides' negotiators should not lose sight of the damage that will be inflicted if business and economic activities are not protected. Big bang or 'cliff edge' situations must be avoided. They would send costly shock waves through EU trade flows and supply chains that have evolved and flourished over the last forty years. The EU and the UK should recognise their mutual self interest in finding a way to preserve these links and the legal certainty that is vital for companies to continue serving Europe's citizens on both sides of the Channel.

In the arena of customs, its associated systems and the EU Single Market, the group firmly believes Brexit must be a transitional, not a terminal journey for EU and British based business. There is no time to lose in making this happen.

FFF17: WHAT FREIGHT FORWARDERS WANT FROM THE MULTIMODAL YEAR 2018

CLECAT is inviting its members, policy makers and stakeholders to join its annual Forum, which is being organised with the support of the Port of Barcelona, on the 24th November at the WTC in Barcelona. **SMART AND SUSTAINABLE LOGISTICS SOLUTIONS THROUGH MULTIMODAL TRANSPORT** is the theme of the 2017 Freight Forwarders' Forum.



The FFF will hear from several multimodal logistics service providers and operators about what makes their business successful, how they deliver value for their customers. What are the needs in terms of a business environment, regulatory framework and infrastructure connections in order to build a multimodal system. How can innovation drive efficiency, resilience and emissions reduction at the same time? What is needed to boost these developments?

These are the themes and the questions that will be addressed during the Forum that will take place in the World Trade Center in Barcelona.

Speakers include **Matthew Baldwin**, Deputy Director General of DG MOVE, European Commission, **Sam Bruynseels**, CCO, Lineas, **Mario Masarotti**, CEO, Grimaldi Spain, **Steve Parker**, President, CLECAT, **Santiago Garcia-Milà**, Deputy Executive Director, Port of Barcelona, **Fernando Liesa**, Secretary General, ALICE, **Tom Antonissen**, Association of European Vehicle Logistics (ECG), **Juergen Schmitt**, Manager, Ekol Logistics Spain, **Eduard Rodés**, Director Escola Europea Short Sea Shipping, **Rebecca Descarrega**, BASF, **Mark Scheerlinck**, CBP Belgium, **Denis Choumert**, Chairman, European Shippers' Council, **Jef Hermans**, Managing Director, Portmade, **Javier Rivaz Infante**, DHL Supply Chain and others

Save the date and [register now online](#)



ECG CONFERENCE ON DIGITAL REVOLUTIONS IN POLITICAL TURMOIL



CLECAT was invited to speak today at the [ECG Annual Conference](#) in an event on 'digital revolution in political turmoil' on its expectations for the 2018 Multimodal year.

Referring to the various problems that occurred this year leading to a reverse modal shift (barge congestion in Rotterdam and Antwerp and the Rastatt incident in Germany), she noted that the modal split has changed little over the past two decades. Innovations are urgently required in order to promote a substantial modal shift to alternative, more-environmental modes. She noted that the

focus should be on building standards and/or interoperability for cross modal transport activities. The deployment of innovative ICT technologies, within Europe and internationally, is still hampered by widely differing operational practices and standards. This restricts the speed of implementation and slows down innovation. Interfaces are also seen to support new business models which requires a shift from documents to data elements and information needs. She concluded: 'it remains important to keep Europe at the forefront of the logistics sector. There is a need for further investments in logistics education and IT skills.'

In the same session Lina Konstantinopoulou, AEOLIX coordinator, spoke about moving towards an EU harmonised policy on logistics on behalf of ERTICO and Eddy Liégeois from DG MOVE and Marc Billiet from the IRU spoke about the Mobility Package.

ESPOG CONFERENCE ON SECURE PARKING

On 19 October CLECAT attended the European Secure Parking Organisation's annual conference. Speakers from the European Commission, logistics, infrastructure and security companies discussed the lack of provision of secure truck parking across the European road network, reasons for this shortage and potential solutions. While the TEN-T Guidelines require secure parking every 100km on the Trans-European network by 2030, provision is currently lacking, due to insufficient investment from authorities and business.

Reasons cited for the lack of investment included the need for national or regional authorities to co-sign European funding, national requirements in some countries for secure parking to be provided free of charge, and lack of integration with wider safety, security and infrastructure strategies. Solutions explored included the inclusions of parking fees in road tolls, partnership with other service operators such as fuel companies, and stressing to shippers and hauliers the savings available from offsetting secure parking charges against lower insurance premiums and losses from cargo theft.



Road

JOINT EMPL/TRAN PUBLIC HEARING ON WORKING CONDITIONS OF MOBILE WORKERS IN TRANSPORT

The TRAN/EMPL Committees of the European Parliament organised a public hearing on working conditions of mobile workers in transport on the 16th October. Guest speakers gave presentations covering the legislative proposals on the market and social parts of the mobility package. MEPs raised questions on a wide range of issues, such as the possible causes for the differences in implementation of European legislation in this area, the lack of adequate facilities where drivers spend their rest time, the consequences for SMEs of the proposed three-day rule for how long drivers would be permitted to stay in a foreign EU country before they fall under the local labour rules. Questions were also raised on how to solve issues arising from letterbox companies, the shortage of drivers, as well as general road safety issues. MEPs were also interested in knowing how digitization, including smart tachographs, can contribute to a more efficient enforcement of rules. The fact that all proposals in this package are interlinked needs to be taken into account when amending them.

The CLECAT position paper on the social aspects of the Mobility Package is available [here](#).

Maritime

LOOMING SEA FREIGHT OVERCAPACITY 'SET TO AFFECT RATES'

Lines are failing to remove enough slot capacity on key trades now the Q3 peak season surge in demand is fading, according to one analyst. SeaIntel said the traditional Q4 culling of deployed capacity relative to the peak season had not so far happened. "2017-Q4 is currently slated for massive overcapacity," it concluded, adding that the amount of capacity that would need to be removed varied hugely by trade based on current Q4 schedules.

One upshot could be further declines in rates unless lines begin to blank more services. Drewry's World Container Index fell 1.9% last week and was only up 3% against the same period of 2016. Indeed, Drewry's composite index has been heading south since August, losing \$299 per feu in two months to reach \$1,292 last week.

According to SeaIntel, if liner strategy over the past five years is used as a guide, operators will need to blank 25 sailings on the Asia-Europe trade and blank a huge 67 average-sized sailings on the Transpacific to bring any semblance of balance to the market. "Over the 2012-2016 period, the fourth quarter deployed capacity on the Asia-North Europe trade lane has on average contracted by -6.6% relative to the third quarter, but 2017 Q4 is currently scheduled to shrink by just -0.8% relative to 2017-Q3," said SeaIntel.

"If the same seasonality is assumed, a total of 193,000 TEU would have to be blanked over the entire Q4 period, equal to the blanking of 13.5 average sailings, or roughly one sailing per week."

Deployed capacity on Asia-US West Coast services over 2012-2016 has seen Q4 on average contract by -4.5% compared to Q3. At present, this would leave an excess of 184,000 TEU of capacity currently



scheduled for 2017 Q4 - equal to the blanking of 25.1 average-sized sailings, or close to two sailings per week.

“On Asia-US East Coast, deployed capacity is currently scheduled to grow by 4.1% over 2017 Q3, which would yield a year-on-year growth of a staggering 21.9%,” said SeaIntel. “This would mean an excess capacity of 247,000 TEU if the 2012-2016 seasonality is assumed, which would require the blanking of a staggering 32.0 average-sized sailings, or almost 2.5 sailings per week.”

Source: [Lloyd's Loading List](#)

REGULATING SHIP SPEED COULD CUT EMISSIONS BY A THIRD

Greenhouse gas emissions from three ship types – containerships, bulkers and tankers – could be reduced by a third, on average, by reducing their speed, according to a new independent study that will be presented to the International Maritime Organisation (IMO) next week. The cumulative savings from reducing the speed of these ships alone could, by 2030, be as much as 12% of shipping's total remaining carbon budget if the world is to stay under the 1.5°C global temperature rise, the CE Delft study for NGOs Seas At Risk and Transport & Environment, founding members of the Clean Shipping Coalition (CSC), found.

Reducing operational speed would also provide a boost to jobs and growth in shipbuilding nations, where the study concludes production would have to grow by over 30% in order to maintain transport capacity for global trade. The study also concludes that the additional costs of slow steaming on exports such as oilcake and beef from Latin America would be marginal, and this is without accounting for lower transport fuel costs.

Bill Hemmings of T&E said: “Shipping is the only international sector that has yet to commit to a global emissions reduction target or measures. Talks at the IMO are expected to be challenging as the industry body, ICS, is on record as opposing every reduction measure so far put forward – including binding reduction targets, the need to tighten design standards or have operational efficiency measures. But industry itself showed clearly that slow steaming works. It proved effective in weathering the economic crisis, so the IMO should now agree mandatory speed measures to achieve the substantial emissions reductions needed to start decarbonisation.”

The analysed ship types cumulatively account for around 52% of global shipping's carbon footprint. Substantial additional savings will be made when the speed of the remainder of the fleet is also reduced.

The findings will be discussed by the IMO next week when it meets for the second time to develop its initial 2018 greenhouse gas reduction strategy. The UN discussions in London will concentrate on a global emissions reduction target and potential measures for the sector. Regulating ship speed is one of the short-term measures on the table that can be implemented immediately. The IMO is under huge pressure to deliver an effective and adequate response to the Paris agreement and global climate efforts.

Source: Transport & Environment



NEW BID TO PROTECT SCHIPHOL CARGO FLIGHTS REJECTED

Amsterdam Schiphol's co-ordination committee, an advisory body of all the airlines operating at the Dutch airport, has rejected a proposal from the Netherlands' air cargo community to introduce a 'local rule' giving preference to full freighter operations should a pool of unused air traffic movements (ATMs) become available in the current capacity squeeze.

The proposal was submitted by Air Cargo Netherlands (ACN), supported by the national shippers' council, Evofenedex, who estimate that slots for freighter flights will be cut by around 20% during the coming winter season as a result of the airport breaching its annual quota of 500,000 ATMs, a figure decided upon within the framework of a locally binding agreement signed in 2008.

"The proposal went to a vote and was turned down," Evofenedex policy adviser Rogier Spoel told *Lloyd's Loading List*, "the low-cost/leisure segment of carriers, who have a far greater representation than the all-cargo carriers, arguing that it was unfair to have a separate regime for full freighter flights – although they did acknowledge the difficulty of freighter operations in meeting the (IATA-EU regulated) 80:20 requirement."

That requirement stipulates that in order to retain their historic rights to slots, airlines need to fly 80% of their slots according to the requested flight schedule. Airport operator Schiphol Group has previously noted that some full freighter operators find this requirement "challenging" because of the often ad-hoc and seasonal nature of the business.

"We are now lobbying the Dutch government to intervene, because we believe that in time of 'scarcity' (of flight slots), self-interest prevails, instead of the national, economic interest," Spoel underlined. "While it's true that freighters account for only a very small percentage of global flights at Schiphol, they make a vital contribution to the Netherlands' standing as a leading European cargo and distribution hub – a sector which employs a significant number of people."

He said the slot reduction issue had left full freighter operations at Schiphol "unprotected and therefore vulnerable," adding: "Already, Air Bridge Cargo and Singapore Airlines Cargo have announced they are moving freighter flights out of the Netherlands to Belgium, and I think other airlines will follow."

A spokesman for Air France KLM Martinair Cargo confirmed to *Lloyd's Loading List* that the combined carrier had not lost any of its freighter flight slots at Schiphol for the winter season. He said the 80:20 requirement and maintaining a high 'on-time' performance for freighters was an issue for all-cargo carriers, "as the dynamics of the market were different to those in the passenger segment".

Source: [Lloyd's Loading List](#)



Sustainable Logistics

TRILOGUE AGREEMENT ON AVIATION ETS

On 18 October, the Estonian Presidency reached a provisional agreement with European Parliament representatives on a regulation to extend existing provisions covering aviation activities in the EU emissions trading system (ETS) regulation beyond 2016 and to prepare for the implementation of the global market-based measure as of 2021. The provisional text will be submitted to the EU ambassadors for political endorsement.

This new regulation is the follow up to the decision reached in October 2016 by the International Civil Aviation Organisation (ICAO) to introduce a global market-based measure from 2021 in order to regulate international aviation emissions through an offsetting system, also referred to as CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation). The EU supports this measure and aims to join the 'pilot' phase of the scheme in 2021 on a voluntary basis.

In the meantime, the adoption of this new regulation before the end of the year is an indispensable requirement to avoid any legal gap as regards compliance with the current ETS regulation in 2017. Today's agreement enables this adoption to happen on time. The dates for reporting and surrendering allowances from emissions in 2017 would be 31 March and 30 April 2018 respectively.

The main elements of the provisional agreement are as follows:

- maintain current limitations within the scope of the EU ETS, particularly by prolonging the derogation for non-intra European Economic Area (EEA) flights until 31 December 2023, when the 'first' phase of CORSIA will begin;
- establish provisions for a review once all ICAO decisions have been taken on the implementation of the global market-based measure within the EU, particularly concerning how to incorporate this measure into the ETS directive;
- subject to this review, foresee the application of the Linear Reduction Factor, as set out in the ETS directive, to the aviation sector from 2021 onwards.

A statement was also issued emphasising the need for ICAO to act in full transparency and to reach out to all stakeholders to inform them about the progress and decisions in a timely manner.

In addition, the Parliament and the Council have agreed safeguard measures to preserve the integrity of the EU ETS in case that obligations of aviation operators and other operators from a member state cease.

Once the deal is approved by EU ambassadors, the Parliament and the Council will be called on to adopt the new regulation at first reading. Thereafter, it will enter into force on the day of its publication in the official journal.

Source: [Council of the EU](#)

DIGITAL TRANSPORT NEEDS CLEAR STANDARDS

CLECAT joined the ETF event which took place earlier this week in Brussels with a high level panel of speakers. Euroactiv reported as follows: The digitalisation of transport is set to transform the



European economy, provided politicians put in place common standards and regulate the free flow of data, while managing privacy, industry and EU officials said this week.

The data economy is already growing at a fast pace and accounted for 2% of European GDP in 2016, said Alina Ujupan, a staffer who works in the cabinet of EU Digital Commissioner Mariya Gabriel.

“With the right legislative environment, we expect the size will double by 2020 and have around 10.5 million people working in it,” Ujupan told the ETF. “Digitalisation of transport, particularly automated driving, is one of the most important trends that will transform industry in Europe. The challenges we face include spectrum, liability, cyber security, data use, access and privacy, who owns the data.” Ujupan said the Commission wanted to act as a catalyst and support the industry “so that Europe keeps its edge”, but would refrain from making technology choices. “That is for the industry, but we should be there to provide the right framework,” she said.

Niklas Gustafsson, the chief sustainability officer at Volvo Group, the truck maker, said there was “huge potential with connectivity”. But he said there were still some barriers for the development of digital transport, highlighting the need for having a standardised data format as a key priority.

Dita Charanzová, a Czech MEP (ALDE) and vice chair of the European Parliament’s internal market committee, agreed and called for any legislation on the issue to be future proof. “The key here is to have the one European approach. We have to avoid having different standards in different states. I think we’re on the right track, though we see from some member states that they are adopting different legislation for driverless cars, that can be very dangerous,” Charanzova told the forum. She highlighted a related issue: “We need to have a seamless 5G network so that the car is not blocked at borders because countries have different systems.”

Vincent Kobesen, CEO of private firm PTV AG, which produces transport and logistics software, summed up the remaining key questions related to digital data.

“I think the first one is the question of who owns the data, that is still not answered. Is it the person itself, or the logistics provider, or the telephone operator, or the city that has access to the data? So it has to be answered”.

Source Euroactiv - full story [here](#)

Forthcoming events

CLECAT MEETINGS

Customs and Indirect Taxation Institute

20 October, Brussels

Supply Chain Security Institute / Air Logistics Institute

24 October, Paris

Maritime Institute

23 November, Barcelona

CLECAT Freight Forwarders Forum 2017



24 November, Barcelona

CLECAT Board meeting

24 November, Barcelona

OTHER EVENTS WITH CLECAT PARTICIPATION

EUROPEAN RAIL SUMMIT

7 November, Brussels

DIGITAL TRANSPORT DAYS CONFERENCE

8-10 November, Tallinn

APAT CONFERENCE

10-11 November, Lisbon

THE FUTURE OF TRANSPORT 2017

6 December, Brussels

ALICE PLENARY + MEMBERS DINNER

13.12.2017, Brussels

EP/COUNCIL MEETINGS

European Parliament Transport and Tourism Committee

9 November 2017

22, 23 November 2017

4 December 2017

Transport, Telecommunications and Energy Council

24 October 2017, Luxembourg

4-5 December, Brussels (Telecommunications & Transport)

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