

# NEWSLETTER

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# **Brussels News**

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

You are invited to register to the free, online CLECAT Freight Forwarders Forum on the 12 November. Entitled 'Logistics put to test at times of crisis', the event features <u>four sessions</u> following a 'set the scene' panel on what we have learned so far from the ongoing pandemic:



- 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

Confirmed speakers include Maja Bakran Marcich, Deputy Director General, DG MOVE, Stijn Rubens, Drewry, Olaf Merk, ITF, Pyers Tucker, Senior Advisor Corporate Development, Hapag Lloyd AG, Daniel Boeshertz, DG COMP, Lamia Kerdjoudj-Belkaid, FEPORT, Chris Taylor, UK Mission to the EU, Sophie Punte, Smart Freight Centre, Graham Major-Ex, Head of Green Revenue, Sennder, 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 <u>here</u>.



# COUNCIL CONCLUSIONS ON PANDEMIC CONTINGENCY PLAN FOR FREIGHT TRANSPORT

On 23 October, the Council adopted conclusions calling on the European Commission to swiftly draw up a pandemic and other major crisis contingency plan for the European freight transport sector. Such a plan should include EU-level coordination measures and clear guidelines.

The contingency plan, which was originally proposed by the German Presidency of the Council, should cover at least the following aspects:

- maintaining cross-border freight transport operations along the trans-European transport network (TEN-T) corridors and other essential cross-border connections, as well as related ancillary services supporting the operation of that network.
- ensuring free movement of transport workers while safeguarding the protection of their health and safety.
- preparing guidelines and best-practice toolboxes in order to strengthen the sector's resilience
- setting up a coherent regulatory framework as regards exemptions to be applied when pandemics and other major crisis situations arise.

The Council encourages the Commission to extend, where appropriate, in part or in full, the contingency plan to passenger transport and transport in general. Other aspects mentioned by the conclusions include the EU's commitment to climate neutrality by 2050 and the need to promote digitalisation of the transport sector.

The Council also invites the Commission to develop a specific framework for temporary state aid that would allow member states to act quickly to support the transport sector in pandemics and other major crisis situations.

CLECAT believes that it is of utmost importance to ensure that freight transport continues uninterrupted during the ongoing crisis, to ensure the supply of goods for the EU. Therefore, CLECAT welcomes the Council conclusions on the pandemic contingency plan for freight transport.

Source: Council of the European Union

# **EUROPEAN COMMISSION 2021 WORK PROGRAMME**

The European Commission published its 2021 Work Programme this week, setting out a list of legislative and non-legislative actions planned for the next year. The work programme consists of six priorities, including the 'European Green Deal', 'A Europe Fit for the Digital Age' and 'An Economy that Works for People'.

As expected, the work programme emphasises the need to either update or introduce new legislation to reach a proposed EU-wide 55% greenhouse gas emissions reduction target by 2030. The following actions are therefore listed in the work programme as part of the 'Fit for 55' package:

- Revision of the EU Emissions Trading System (ETS), incl. maritime, aviation and CORSIA.
- Amendment to the Renewable Energy Directive.
- Amendment of the Energy Efficiency Directive.
- Revision of the Energy Taxation Directive.
- Revision of the Alternative Fuels Infrastructure Directive.



Revision of the Regulation setting CO2 emission performance standards for new passenger cars and for new light commercial vehicles.

As part of the 'Sustainable and Smart Mobility' package, the Commission will focus on:

- Revision of the Intelligent Transport Systems Directive, incl. a multimodal ticketing initiative.
- Revision of the Regulation on the Trans-European Transport Network (TEN-T).
- EU 2021 Rail Corridor Initiative, including the revision of the Rail Freight Corridor Regulation.

Additionally, the work programme shows that the Commission will step up its efforts on digitalisation, with plans on a non-legislative initiative on new 2030 digital targets. Security is also a priority, including the follow-up to the EU Security Union Strategy 2021-2025 that was published in July of this year, which includes inter alia a Communication on an EU Agenda to tackle organised crime, as well as the EU agenda on counter-terrorism.

In the area of aviation, under the priority pending proposals, the European Commission will also focus on the updated proposal for the Single European Sky, as well as on the review of the Regulation for slot allocation at EU airports.

# **Brexit**

# STATE OF PLAY OF EU-UK NEGOTIATIONS



On 21 October, the EU's Chief Negotiator Michel Barnier told the European Parliament that "an agreement is within reach if both sides are willing to work constructively." While progress had been reached in some areas, Michel Barnier highlighted that three more complex subjects remained, namely the level playing field, fisheries and governance.

Following Barnier's statement to the European Parliament, the UK Government published a statement recognising that significant gaps remained in the most difficult areas but that

both Parties were ready to see if it is possible to bridge them in intensive talks. The UK Government made clear that the best and most established means of regulating the relationship between two sovereign and autonomous parties is one based on a free trade agreement. It was further stressed that businesses must prepare actively for the end of the transition period, since change is coming, whether an agreement is reached or not.

The Chief Negotiators from both sides, Michel Barnier and David Frost, discussed the state of play on the basis of the EU and UK respective statements. They jointly agreed a set of principles for handling an intensified phase of talks. The principles stipulate that this next and final phase of the negotiations will in principle be on the basis of each side's legal texts while a common approach is found. It is further stressed that nothing will be agreed in these negotiations until a final overall agreement is reached. The initial phase of the negotiations will take place from 22 October until 25 October.



#### IMPLEMENTATION OF THE WITHDRAWAL AGREEMENT

On 19 October, the fourth meeting of the EU-UK Joint Committee on the implementation and application of the Withdrawal Agreement took place. The aim of the meeting was for the EU and the UK to jointly assess the current state of the implementation work and to reach a shared understanding of the outstanding issues and a detailed timeline for their resolution. It was agreed that contacts at all levels will significantly intensify.

With regard to the implementation of the Protocol on Ireland and Northern Ireland, the EU informed the UK that the Commission had adopted a decision to give the UK access to the necessary IT systems, databases and networks needed to fulfil its obligations under the Protocol. The EU also strongly reiterated the need for the UK to substantially accelerate work on all necessary measures ensuring full practical implementation, in particular with regard to border control posts, Value Added Tax and the registration of Northern Irish traders for VAT purposes.

The EU also expressed strong concerns regarding the lack of progress on the decisions that need to be taken by the Joint Committee, as set out in the Protocol. These decision cover in particular workable arrangements for an EU presence in Northern Ireland, criteria for goods to be considered 'not at risk' of moving into the Union and the exemption of agricultural subsidies from State aid rules, as well as a Decision correcting errors and omissions in Annex 2 of the Protocol.

Source: **European Commission** 

#### **UK PREPAREDNESS**

In the meantime, the UK government stepped up plans to keep trade flowing at the end of the transition period. On 22 October, the government announced a series of measures that aim to minimise the risk of disruption, including:

- Targeted communications campaign launched to help hauliers prepare.
- Operation Brock to be made enforceable in Kent, helping to mitigate and reduce any disruption.
- ECMT permit application window.

Following consultation with industry, legislation to enable the enforcement of Operation Brock – the traffic management strategy in Kent - has been brought forward to ensure the plans can be implemented if needed. The new rules confirm that it will be mandatory for all heavy goods vehicles (HGVs) using the Short Straits channel crossings to obtain a digital Kent Access Permit (KAP), following completion of the government's new easy-to-use 'Check an HGV' service. This will ensure that HGV drivers who come prepared can move smoothly through Kent to the UK's trading ports.

The news comes as the government this week launched an information campaign preparing hauliers for the new customs procedures. Alongside this, a haulier handbook will be made available in 14 different languages, acting as a one-stop-shop for UK and EU hauliers, providing them with key information and advice. In November, hauliers will also be able to visit one of 45 'Information and Advice Sites' at key strategic locations across the UK, offering in-person assistance on how to apply for the documents needed to keep them travelling to, from and through the EU. As part of the campaign, hauliers are also being encouraged to apply for a European Conference of Ministers of Transport (ECMT) permit as a precautionary measure. Following the end of the transition period, ECMT permits may be needed to support hauliers accessing the EU.



The UK government also announced that it will prioritise the journeys of a small number of HGVs with exports that are very time-sensitive – such as fresh and live seafood, and day-old chicks.

Source: HMRC

# Road

#### BULGARIA TO CHALLENGE MOBILITY PACKAGE I IN COURT

On 21 October, Bulgaria's government said it would challenge in court parts of a major EU-wide reform of road transport rules, contained in the Mobility Package I, agreed in July this year.

"To protect the interests of international road haulage companies, Bulgaria will initiate the filing of a written claim to launch legal action at the EU Court of Justice against the Mobility Package I," the government press service announced in a statement.

The Bulgarian government said that it would challenge in particular those rules that oblige long-haul drivers to return home with their vehicles at certain intervals, as well as a ban on drivers taking their weekly rest periods in their trucks. The government said the rules were "imbalanced" and "discriminatory" towards companies from countries on the fringes of the EU, whose drivers would have to return home every three to four weeks. Moreover, vehicles would have to come back to companies' operational centres every eight weeks, which Bulgaria complains would necessitate long and potentially environmentally damaging journeys.

Bulgaria's crucial road haulage sector has also been strongly opposed to the new measures, prompting the government to take action. Notedly, the sector employs 120,000 people – including some 40,000 drivers – and contributes 12% of the country's GDP.

Source: Council of Ministers of the Republic of Bulgaria

# Maritime

# ITF POLICY BRIEF ON COVID-19 STATE SUPPORT FOR SHIPPING

On 23 October, the International Transport Forum (ITF) published a COVID-19 transport brief entitled "Lessons from COVID-19 State Support for Maritime Shipping".



In the brief, the ITF recognises that state support packages during the COVID-19 pandemic are helping the shipping industry to deal with the negative economic impacts of the crisis. However, the ITF draws attention to the fact that government support comes in many forms but usually without strings attached and rarely aligned to broader policy objectives.



Mulling a need for a rethink, the ITF offers a number of insights that could serve as starting points for a review of the policy framework for maritime shipping:

- Intensify the monitoring of competition. The level of consolidation and cooperation in the shipping industry makes possible effective collusion to reduce competition. The recent joint efforts of container lines to eliminate capacity through a coordinated strategy of blank sailings raises many questions of concern to competition authorities and merits investigation. Liner shipping requires continuous monitoring and corrective action when inappropriate behaviour occurs. The freedom granted to liners by the EU Consortia Block Exemption Regulation (BER) to manage capacity jointly and to exchange information is prone to abuse.
- Widen the scope of shipping competition policy. Maritime competition policy has often been narrowly focused on the price for customers. It should also take account of market power visà-vis suppliers and a wider set of indicators related to service quality, connectivity and environmental performance. A call for proposals on greening competition policy and state aid recently announced by the European Commission should be used to start greening the EU Maritime State Aid Guidelines, the tonnage tax and the Consortia BER.
- Create a global level playing field in maritime state aid. Including shipping in the Global Anti-Base Erosion Proposal of the G20/OECD would help create a universally applicable set of rules and comparable conditions. At the regional level, more active initiatives for tax convergence could be launched. In the EU, the Maritime State Aid Guidelines with regard to the maximum permissible subsidies and tax exemptions could be clarified and applied more rigorously.
- Tackle market distortions resulting from state aid for the maritime sector. Competition authorities should avoid taking market-distorting decisions, as happened with the European Commission's approval of tonnage tax schemes that cover cargo handling in ports. This has resulted in undue advantages for vertically integrated shipping lines and should be corrected.
- Focus maritime state aid on strategic supply chains. State aid for shipping has proliferated over past decades. Often, expansion of aid has not been driven by objective assessments of potential benefits for the provider. Maritime sector support should be targeted more strategically to help achieve broader objectives than mitigating losses for recipients.

#### DCSA LAUNCHES JUST-IN-TIME PORT CALL PROGRAMME

On 20 October, the Digital Container Shipping Association (DCSA) published standard data definitions for the port call process. This is the first publication of the DCSA Just-in-Time (JIT) Port Call programme.

By moving container shipping towards a JIT port call process, DCSA port call standards will enable container ships to optimise their steaming speed, thereby lowering fuel consumption and reducing CO2 emissions. To provide a global industry framework that preserves existing investments, DCSA port call data definitions align with IMO and ITPCO JIT Arrival Guide standards.

The definitions will allow industry stakeholders to exchange event data in a uniform way, enabling digital planning and operational optimisation. The widespread adoption is the first step towards achieving a digital, global, transparent, just-in-time port call ecosystem. Subsequent releases of the DCSA's JIT Port Call programme will include API definitions for automating the exchange of event data.

The DCSA Port Call Data Definitions can be freely downloaded from the DCSA website.



# Rail

## SMART RAIL FOR THE EU'S GREEN RECOVERY

On 20 October, as part of the European Week of Regions and Cities, the European Commission and the Shift2Rail Joint Undertaking co-organised a workshop on the role of rail for a smart & green recovery. The workshop was webstreamed and can be accessed here.

The workshop featured a high-level discussion on the needs of the regions and railway systems of the future, in anticipation of the 2021 EU Year of Rail. Amongst other topics, it covered restoring trust in rail transport in the aftermath of the pandemic, promoting the labour and social aspects of rail transport (impact of digitalisation on skills) and employment, as well as information about the preparations for the 2021 European Year of Rail in the context of the European Green Deal.

#### **EUROPEAN INTERMODAL SUMMIT 2020**



On 27 October, the International Union for Combined Road-Rail Transport (UIRR) is organising the European Intermodal Summit 2020. The event will address how Combined

Transport has been delivering solutions to the challenges of the past, as well as how it will continue delivering solutions to the challenges of the present and future times.

The event will feature a number of distinguished speakers, including Transport Commissioner Adinaloana Valean, Secretary of the German Federal Ministry of Transport Steffen Bilger, the European Parliament Transport and Tourism (TRAN) Committee's Vice Chair, MEP István Újhelyi, as well as Magda Kopczynska, Director D of the European Commission's DG MOVE.

More information on the event and the registration form are available on the <u>UIRR website</u>.

# Air

# **EUROCONTROL PAPER ON EFFECTIVENESS OF TAXING AVIATION**



On 19 October, EUROCONTROL published its latest <u>Think Paper</u>, which examines whether taxes on aviation fuel or air tickets, or equivalent measures, do effectively contribute to reducing aviation emissions in order achieve the goal of zero carbon emissions by 2050. More specifically, the paper assesses the degree to which aviation taxes could help reduce the aviation sector's CO2 emissions in the current COVID context, given the slow economic recovery, and estimates the extent to which CO2

emissions goals could be met by decarbonising the aviation sector.



In its paper, EUROCONTROL argues that there is little evidence that taxing aviation per se directly lowers CO2 emissions; nor do raising fuel prices or ticket prices reduce CO2 emissions. Instead, it argues that economic output is the main factor influencing demand, and hence higher or lower CO2 emissions – and underlines that as long-distance air traffic dominates aviation emissions, efforts must be targeted on this segment if a reduction in CO2 emissions is to be achieved. The paper concludes that the best way to reduce aviation's CO2 emissions is to support decarbonisation measures. Moreover, it notes that if a European tax to reduce aviation's CO2 emissions were to be introduced, it should be ring-fenced to support decarbonisation measures for aviation.

Source: **EUROCONTROL** 

# Supply Chain Security

#### **ENISA THREAT LANDSCAPE REPORT 2020**

On 20 October, the European Union Agency for Cybersecurity (ENISA) published their <u>yearly report summarising the main cyber threats</u> encountered between 2019 and 2020. The report reveals that the attacks are continuously expanding by becoming more sophisticated, targeted, widespread and often undetected, while for the majority of them the motivation is financial. There is also an increase of phishing, spam and targeted attacks in the social media platforms.



The report warns that there is a long road ahead to reach a more secure digital environment. According to ENISA, this is attributed mainly to the weakening of existing cybersecurity measures through changes in working and infrastructure patterns caused by the COVID-19 pandemic. This global phenomenon has led to a surge in cyber criminals' personalised cyber-attacks, using more advanced methods and techniques. ENISA notes that the EU is taking strong action to strengthen cybersecurity capacities: It will update legislation in the area of <u>cybersecurity</u>, including the NIS Directive, with a new <u>Cybersecurity Strategy</u> coming up by the end of 2020, and is investing in <u>cybersecurity research and capacity building</u>, as well as in raising awareness about new cyber threats and trends, such as through the annual <u>Cybersecurity Month</u> campaign.

Source: **ENISA** 

# Forthcoming Events

#### **EVENTS AND MEETINGS**

CLECAT Brexit 2021 Preparedness Meeting 29 October 2020, Online Meeting



# **CLECAT Road Logistics Institute**

17 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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