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Brussels News

REGISTRATION OPEN - CLECAT BRENNER PASS ROUND TABLE



CLECAT is organising a roundtable webinar on 21 April entitled **'Solutions for freight transport at the Brenner Pass - a (n)ever ending story?'**. The event will discuss short-and longer-term solutions for freight transport crossing the Brenner Pass. European freight forwarders and logistics service providers continue to face difficulties in transporting freight in the most efficient and sustainable way through the heavily restricted Brenner Pass in Austria.

The wide spectrum of restrictions, introduced by the Tyrolean government, have been extended at the beginning of this year leading to further congestion during the daytime and with this more emissions. Preventing the most environmentally friendly heavy-goods vehicles of today, without the appropriate alternatives in place, has disproportionate economic consequences and creates trade barriers for the countries neighbouring Austria.

CLECAT has gathered a roundtable of high-level experts and industry participants to discuss short, medium, and long-term intermodal solutions for crossing the Brenner pass in a sustainable and efficient way. Speakers include MEP Barbara Thaler (EPP, Austria), Herald Ruijters (Director, Investment, Innovative & Sustainable Transport, DG MOVE) and Armin Riedl (CEO, Lokomotion). A freight forwarder, shipper and carrier will exchange on their daily experiences in the panel debate.

Please join the debate. You are invited to [register](#) here.

Maritime

FMC INVESTIGATES ON CONTAINER CRUNCH AND OVERCHARGES

Various reports confirmed this week that the US Federal Maritime Commission (FMC) is investigating alleged excessive tariff fees that ocean carriers charge shippers. The FMC met virtually and in closed session on 7 April to discuss developments in the ongoing Fact Finding 29 investigation of challenges to the freight delivery system and possible Shipping Act violations, and to receive a briefing on the agency's monitoring activities of ocean carrier alliances. This was the first meeting presided over by chairman Daniel Maffei since being designated head of agency by President Joe Biden last week (see picture).



Commissioner Rebecca Dye reported on developments related to her investigation into the behaviour and practices of certain ocean carriers and marine terminal operators during the past six months where US supply chains have been stretched to the maximum. “While most participants in the supply chain are doing their best to cope with the unprecedented import boom, there are reports of containership lines and terminal operators unfairly taking advantage of the situation or denying service to exporters in a way that may violate the Shipping Act. We must get to the bottom of this situation as

soon as possible and that’s why Commissioner Dye’s investigation is crucial,” said Maffei.

In addition, the FMC is investigating alleged excessive tariff fees that ocean carriers charge shippers. The outcome could lead to new tariff regulations. An [Advance Notice of Proposed Rulemaking](#) (ANPRM) looking into the matter, published on 8 April, is the latest action by the FMC on container carrier billing practices, including an investigation into charges for services that may not have been part of the shipping contract. The FMC said it is also concerned with “widely varying” interpretations and inappropriate application of “pass-through” charges to shippers without markup (not to exceed the charge the common carrier incurs) in connection with shipments moving under common carrier tariffs. Comments are due 60 days after publication in the Federal Register.

Source: [Splash247](#) and [Freight Waves](#)

CONTAINER LINES SET RECORD-HIGH PROFITS IN 2020

Lloyds’ Loading List reported this week on the analysis by Alphaliner on the earnings from carriers over 2020. Analysis by Alphaliner indicates that the top nine carriers that release public financial data reported operating earnings of \$15.1 billion in 2020, up from \$4.8 billion in 2019. It calculates that the leading nine carriers reporting public numbers enjoyed an average operating margin of 24.5% in Q4 2020, based on a non-weighted average, with six lines either close to or above margins of 30%. “Three carriers led the field in the final quarter: Zim, Yang Ming and Wan Hai, followed by HMM, Evergreen and ONE,” said Alphaliner. “Hapag-Lloyd, Maersk and COSCO Shipholding were at the lower end of the scale with margins below 20%. The results reflect the pure operational earnings of carriers with extraordinary gains or losses from ship sales and impairments stripped out.”



Total revenues for the nine carriers tracked by Alphaliner came in at \$128 billion for the year, just 6.5% higher than the \$120 billion recorded in 2019, “emphasising the impact of higher freight rates and lower fuel costs on earnings”, noted the analyst.

Blue Alpha Capital founder John McCown traced the liner industry’s turnaround to an unforeseen over-correction of capacity by carriers on many tradelanes at the start of the pandemic. “Carriers took immediate and aggressive action to reduce capacity by blanking sailings,” he said, adding that the industry consolidation in the form of the alliances had “made this logistically easier to accomplish”.

As CLECAT has claimed since many months Mr McCown confirmed: “As it turned out, that was an over-correction in many lanes that resulted in demand exceeding capacity.” The \$64m question remains whether the industry has embarked on a new trajectory for its results, based on new capacity management skills, or whether it will revert to its historical mean performance,” he added.

Sources: [Lloyd's Loading List](#), [Loadstar](#)

Air

AIR CARGO DEMAND UP 9% IN FEBRUARY 2021

The International Air Transport Association (IATA) released data for global air cargo markets for February 2021, showing that air cargo demand continued to outperform pre-COVID levels with demand up 9% over February 2019. February demand also showed strong month-on-month growth over January 2021 levels. According to IATA, volumes have now returned to 2018 levels seen prior to the US-China trade war.

IATA notes that because comparisons between 2021 and 2020 monthly results are distorted by the extraordinary impact of COVID-19, all comparisons are made to February 2019 which followed a normal demand pattern. Global demand, measured in cargo tonne-kilometers (CTKs*), was up 9% compared to February 2019 and +1.5% compared to January 2021. All regions except for Latin America saw an improvement in air cargo demand compared to pre-COVID levels. Simultaneously, the recovery in global capacity, measured in available cargo tonne-kilometers (ACTKs), stalled owing to new capacity cuts on the passenger side as governments tightened travel restrictions due to the recent spike in COVID-19 cases. Capacity shrank 14.9% compared to February 2019.

Source: [IATA](#)

Rail

DEUTSCHE BAHN EXPECTED TO PUBLISH BRENNER NORTHERN ACCESS ROUTE

According to reports from the German Press Agency (Deutsche Presse-Agentur), Deutsche Bahn is expected to present a concrete recommendation for a possible new rail route in the Inn Valley towards Brenner next week, which represents an important step in the planning of the Brenner Base tunnel.



The Brenner northern access route is intended to expand the capacities to the future Brenner base tunnel, which is being built in Italy and Austria. This should allow more goods to be transported by rail as of 2030. Currently, there are still four possible route variants available. Deutsche Bahn announced in January that one of them would be selected after the Easter holidays. A fifth variant had been classified as not compatible in the regional planning procedure. For the other four, additional measures, some of them extensive, are necessary to ensure regional compatibility. Among other things, this involves noise protection and the examination of underground routes, but also a slightly different track layout.

Source: [Verkehrsrundschau](#)

ERA WEBINAR: RAILWAYS IN THE WORLD

On 15 April, the European Union Agency for Railways (ERA) is organising a webinar in the ambit of the European Year of Rail 2021, entitled *Railways in the World* - ERA's Global Activities and International Cooperation.

This webinar will focus on how ERA supports the European Commission's international strategy and policy objectives for railways, most notably the promotion of European experiences, regulations and standards within international organisations and with international partners worldwide. ERA will explain its global cooperation projects, their objectives and benefits, e.g. the EUMEDRAIL (EuroMed Rail Safety and Interoperability Project); IPA (Instrument for Pre-Accession Assistance) and Western Balkans; OSJD (Organisation for Co-operation between Railways); OTIF (Intergovernmental Organisation for International Carriage by Rail); and other partnerships and initiatives.

More information on the webinar and how to join it is available on [ERA's website](#).

EC APPROVES POLISH AID TO PROMOTE MODAL SHIFT

Last week the European Commission approved an individual aid measure over €3.7 million to promote the shift of freight transport from road to rail in the Polish south-eastern province of Podkarpackie near the Polish Ukrainian border. In line with the goals of the [European Green Deal](#), the Polish measure aims to increase intermodal transport capacities to support modal shift.

The aid contributes to the costs of construction of a transshipment terminal infrastructure at the PKP LHS station situated on the broad-gauge railway line No. 65 to Ukraine and to the countries that are part of the "Commonwealth of Independent States" (CIS). The terminal will serve for storage and transshipment of containers and cargo between different modes of transport and between the European Economic Area standard track gauge (1,435 mm) and the broad track gauge (1,520 mm) to Ukraine, both accessible in the Wola Baranowska Station.

The Commission found that the aid measure promotes the shift of freight transport from road to rail. Access to the planned infrastructure will be open to all interested companies based on non-discriminatory and transparent market terms. The Commission concluded that the individual aid measure is compatible with EU State aid rules.

Source: [European Commission](#)



Customs and Trade

UZBEKISTAN JOINS EU'S GSP+

The EU has accepted the Republic of Uzbekistan as the 9th beneficiary country of the Special Incentive Arrangement for Sustainable Development and Good Governance (GSP+) under the unilateral Generalised Scheme of Preferences (GSP). Under the GSP+ scheme, the EU will grant full removal of tariffs on over 66% of tariff lines covering a very wide array of products including, for example, textiles and fisheries. Preferential tariffs for products imported from Uzbekistan under the arrangement will start applying from 10 April 2021.

EU's GSP+ arrangement is part of EU's unilateral tariff preferences in favour of developing countries, the Generalised Scheme of Preferences (GSP), which was revamped as of 1 January 2014. The GSP+ scheme is designed to help developing countries assume the special burdens and responsibilities resulting from the ratification of 27 core international conventions on human and labour rights, environmental protection and good governance as well as from the effective implementation thereof.

Source and more information: [European Commission](#)

Forthcoming Events

CLECAT MEETINGS

CLECAT Board Meeting
15 April 2021, Online

CLECAT Webinar: Solutions for freight transport at the Brenner Pass – a (n)ever ending story?
21 April 2021, Online

CLECAT Air Logistics Institute
8 June 2021, Online

CLECAT Security Institute
8 June 2021, Online

CLECAT Rail Logistics Institute
23 June 2021, Online

EU MEETINGS

Council of the European Union

Transport Council
3 June 2021, Luxembourg



Environment Council
21 June 2021, Luxembourg

European Parliament

European Parliament Transport Committee
14-15 April 2021, Brussels

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