

NEWSLETTER

european association for forwarding, transport, logistics and customs services

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Brussels News

CLECAT JOINS ONLINE EP EVENT ON MEGAVESSELS



CLECAT has been invited to join a discussion on June 15 hosted by MEP Vera Tax and MEP Jutta Paulus on the impact of mega-vessels. The recent blockade of the Suez Canal by a big container vessel raised questions of mega-ships in the liner shipping market. Big ships require infrastructure adaptations and productivity levels that increase costs for other stakeholders in the supply chain.

Moreover, big ships cause peaks in ports and

put a strain on hinterland transports. Competition regulators often consider concentration in the market as a reassuring symptom of a well-functioning market and praise economies of scale under the assumption that customers and consumers benefit from good prices and reliable services. But is this still the case? Is it better for EU ports to have the visit of few big vessels instead of several medium size ones? Are all big ships fully laden and therefore energy efficient? And who bears the costs? The discussion will reflect on these questions and will gather representatives of the maritime logistics chain, as well as NGOs.

AGREEMENT ON EU DIGITAL COVID CERTIFICATE

On 20 May, the European Parliament and the Council reached a provisional agreement for an EU Digital COVID Certificate to facilitate free movement in the EU during the pandemic. The certificate, which will be available in either digital or paper format, will attest that a person has been vaccinated against the coronavirus, has a recent negative test result or has recovered from the infection.



A common EU framework shall allow Member States to issue certificates that will be accepted throughout the EU Member States. Moreover, Member States shall refrain from imposing additional travel restrictions on the holders of an EU Digital COVID Certificate, unless they are necessary and proportionate to safeguard public health. Simultaneously, it has been stressed that the certificate will not be a precondition to exercise the right to free movement and will not be considered a travel document.

The political agreement will now have to be formally adopted by the European Parliament and the Council. The Regulation will enter into force on 1 July, with a phasing-in period of six weeks for the issuance of certificates for those Member States that need additional time.

Source: European Parliament, European Commission

Maritime

SHIPPERS' GROUP SEEKS REFORMS TO US MARITIME LAWS

The National Industrial Transportation League (NITL), one of the American oldest industrial shipper group, calls the U.S. Congress to make changes to shipping laws. NITL Director and Ocean Committee Chair Lori Fellmer stated that following an ongoing container shortage, service delays and added shipping costs, 'NITL believes that the inability of exporters and importers to effectively address these challenges commercially means the time



has come to update the Shipping Act to reflect current day circumstances.' The shipper group published a proposal with four main modifications to the Shipping Act of 1984, overseen by the U.S. Federal Maritime Commission (FMC), which include:

- Prohibit common carriers and marine terminal operators from adopting and applying unjust and unreasonable demurrage and detention rules and practices.
- Require carriers to adhere to minimum service standards with respect to equipment and vessel space allocations and contract performance and require contingency service plans during periods of port congestion to mitigate supply chain disruptions.
- Address unfair business practices that relate to access to, allocation of and interchange of equipment, as well as unreasonable allocations of vessel space by ocean common carriers considering foreseeable import and export demand.
- Expand the FMC's authority to act on complaints filed against anti-competitive agreements between ocean carriers that operate with antitrust immunity, such as alliances, and allow third parties to participate in court proceedings initiated by the FMC against such agreements.

Additionally, the NITL is also calling for the shifting of the burden of proof onto carriers to show that their practices are reasonable and that they are complying with the rules. Reacting to the proposal, the World Shipping Council representing the sea carriers contended that legislative changes will not address the current disruptions in the container markets.

In response to these calls for action, the FMC Chair, Dan Maffei, stated in a public event on 18 May that the Federal Maritime Committee currently has limited ability to solve the supply chain issues facing U.S. agricultural exporters with container shortages and high freight rates: 'It is particularly



frustrating being at the FMC right now and wanting to help. We have a pretty limited set of tools we can use' he said. 'They key word is capacity. When you are at or beyond the capacity of the system, it is difficult to prove the prices would be lower. It is simple supply and demand. If demand is that high and supply remains limited, that is what happens,' Mr Maffei added.

The FMC had already launched an enforcement investigation into detention and demurrage practices, but Mr Maffei said it still needed to do more for exporters. He is also planning to appoint a dedicated person in the FMC that can assist exporters in understanding the law and determining if anything is being done wrong by carriers. He will also recommend that the commission revisit its detention and demurrage rule to see if it can be strengthened for exporters. However, the FMC could not set rates and could not dictate the levels of service carriers provide: 'We can ensure that alliances do not, because of their existence, unreasonably diminish service or increase costs,' he said. 'We have, however, looked into that extensively, and have upped our monitoring of the alliances but so far there is just not the evidence that the alliances are engaging in any behaviour that would allow us to take them to court.'

Source: American Shipper, Lloyd's Loading List

EC UNVEILS ITS NEW APPROACH FOR THE BLUE ECONOMY

On 17 May, the European Commission presented its new approach for a sustainable blue economy in the EU. The accompanying Communication sets out a detailed agenda for all industries and sectors related to oceans, seas and coasts, including maritime transport. As already presented in the European Green Deal and the Sustainable and Smart Mobility Strategy, the communication recalls the goal of reducing emissions from transport sector by 90% in 2050, and presents the main initiatives related to maritime transport.



The decarbonisation of the maritime transport would happen thanks to the introduction of first zero emission vessels to market by 2030, the possible extension for the EU Emission Trading Scheme (ETS) to maritime transport and the revision of the Energy Taxation Directive. The upcoming FuelEU initiative should boost the production and uptake of renewable and low-carbon fuels as well as the use of onshore power supply for ships at berth. The revision of the TEN-T guidelines and the Alternative Fuels Infrastructure Directive would ensure the deployment of adequate refuelling infrastructure. The Commission is also considering the creation of new emission control areas in the Mediterranean Sea and the Black Sea. It will also promote the use of EU funds to green maritime transport, through research programmes for zero emission vessels and the retrofitting of the existing fleet to improve their energy efficiency.

The Communication also recognises the crucial role of ports, not only for transhipments and logistics, but also as key energy hubs, for the circular economy and the industry. The use of smart digital solutions and autonomous systems in ports would help achieve decarbonisation and zero pollution. Therefore, the European Commission considers the creation of a Blue Forum, to coordinate a dialogue between all users of the sea to create synergies between their activities.

Source: European Commission



Rail

DENMARK SUSPENDS CABOTAGE EXEMPTION FOR CT

Denmark has decided to suspend Article 4 of the <u>Combined Transport (CT) Directive</u> as of 21 February 2022. Danish Transport Minister Benny Engelbrecht, who was tasked to balance social considerations, alleged abuse of the cabotage-free running of domestic road legs linked to border-crossing CT operations, and environmental considerations.



The new rules introduced in the ambit of access to the road haulage market, as part of Mobility Package 1, allow Member States to make the choice to suspend Article 4 of the Combined Transport Directive, which represents the Cabotage exemption for CT operations. However, the recent study from the European Commission concluded that if this suspension were to be applied, this would have a significant negative impact on Combined Transport. The study focusing on the cabotage quotas for international combined transport operations estimates that a

widespread use by Member States of the option to introduce them could lead to an additional 397 000 tonnes of CO2 emissions and to potential negative long-term effects on rail and intermodal freight.

The decision was taken despite <u>openly admitting</u> that there is not a lot of data concerning the existence of problems (cabotage) in combined transport and that the decision is aimed at "preventing a potential problem". CLECAT is of the position that the measure of the Danish government should be accompanied by a transparent list of conditions, upon fulfilment of which the adherence to Article 4 of the CTD can be restored in Denmark, as well as a robust monitoring scheme that regularly collects the empirical evidence on the developments in transport.

CLECAT encourages the Member States to abstain from the possibility to suspend the Article 4 of the Combined Transport Directive to avoid causing negative long-term effects on rail- and intermodal freight.

CALL FOR PROLONGATION OF REDUCED TRACK ACCESS CHARGES

European Railway associations have submitted a joint request to the European Commission to prolong the measures under Regulation 2020/1429, allowing to waive, reduce or defer track access charges in face of COVID-19, until the end of 2021.

The Regulation, which aimed at relieving railway undertakings from financial losses due to the pandemic restrictions, authorises infrastructure managers to waive, reduce or defer track access charges for railway undertakings. The measures apply retroactively from 1 March 2020 and have already been prolonged once by 6 months. The associations argue that now there is a need to extend it again and secure the railway sector's position for the whole year, noting that the pandemic's impact is still strong and might continue in the future.

Source: Railfreight



Air

EU STUDY ON ACCEPTANCE OF URBAN AIR MOBILITY

On 19 May, the European Union Aviation Safety Agency (EASA) published the results of the first EU study on Urban Air Mobility, showing that the majority of those questioned broadly welcome the prospect of services such as air taxis, air ambulances and drone deliveries, but have concerns about potential issues such as safety, security, noise and the impact on wildlife.

Urban Air Mobility (UAM) is a new air transportation system for passengers and cargo in and around urban environments. It is enabled by developments such as the enhancement of battery technologies and electric propulsion for vertical take-off and landing. It is expected to be deployed in Europe within three to five years, offering the potential to make urban mobility faster and greener.

The survey showed that 83% of respondents have a positive initial attitude towards UAM, with 71% ready to try out UAM services. More details on the study and its results, including a breakdown of the results per city and an overview of the top findings can be found here. EASA will use the study results to prepare an impact assessment and regulatory proposal for Urban Air Mobility in Europe in 2022.

Source: **EASA**

ICAO-ICC PANDEMIC PUBLIC-PRIVATE COOPERATION PRIORITIES

On 17 May, the International Civil Aviation Organisation (ICAO) and the International Chamber of Commerce (ICC) issued a joint statement highlighting that efficient vaccine distribution and the sustainable recovery of air transport require extensive and global public-private cooperation and confirming several key areas of future cooperation on common priorities.

The statement acknowledges the central role of international aviation in global economic and social development and international business, and stresses both parties' commitment to implement the ICAO Council Aviation Recovery Task Force's (CART) guidance and recommendations. It also underscores the importance of governments applying multi-layered risk mitigation measures on an aligned and consistent basis to facilitate the aviation sector's recovery from the COVID-19 pandemic. Moreover, it promotes the adoption of interoperable and secure tools and systems for the efficient health screening of travellers in order to accelerate the re-establishment of international air travel and trade. The ICC further commits to supporting ICAO outreach to private sector entities engaged in expediting global vaccine shipments through customs and border checks, in addition to processing crew involved in vaccine transport operations.

The new joint statement echoes other recent calls on governments to prioritise seafarers and aircrew in their national COVID-19 vaccination programmes, together with other essential workers, in accordance with the WHO SAGE Roadmap for prioritizing the use of COVID-19 vaccines.

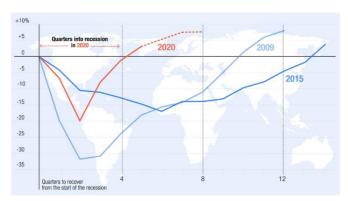
Source: ICAO



Customs and Trade

GLOBAL TRADE RECOVERS FROM COVID-19 CRISIS

World trade's recovery from the COVID-19 crisis hit a record high in the first quarter of 2021, increasing by 10% year-over-year and 4% quarter-over-quarter, according to <u>UNCTAD's Global Trade Update</u>, released on 19 May. According to the report, the impressive rebound in Q1 2021 continued to be driven by the strong export performance of East Asian economies, whose early success in pandemic mitigation allowed them to rebound faster and to capitalize on booming global demand for COVID-19 related products.



According to the report, import and export trends for some of the world's major trading economies show that with a few exceptions, trade in major economies recovered from the fall of 2020. However, the large increases are due to the low base for 2020, and trade in many of the major economies was still below 2019 averages. The trend of a stronger recovery for goods relative to services is common to all major economies, the report finds. Trade recovery, however,

remains uneven, especially among developing countries, with exports from East Asia rebounding substantially faster.

The report further forecasts that trade will continue growing in 2021, with the growth expected to remain strong in the second half of the year. The positive outlook is largely dependent on reducing pandemic restrictions, a persisting positive trend in commodity prices, overall restraints from trade protectionist policies and supportive macroeconomic and fiscal conditions, the report says.

Source: **UNCTAD**

Road

IRU CALLS FOR COVID 'DIGITAL VACCINATION CERTIFICATE'

The General Assembly of the International Road Transport Union (IRU) adopted on 11 May a position to call on the World Health Organization and national governments to introduce a global mutually recognised digital vaccination certificate for commercial truck and coach drivers. The organisation states that professional drivers are still being caught in long queues at makeshift roadside test centres, putting them at a higher risk of contracting COVID-19 than in their usual protected working environment in their vehicles. Long waiting times at borders continue to lead to disruptions to supply chains and mobility networks. 'Drivers have worked tirelessly through the pandemic to keep people and goods moving, despite often pointless restrictions at borders,' said IRU Secretary General Umberto de Pretto.



In addition, the IRU proposes to change the testing and vaccination regime for professional drivers. They should be exempted from COVID-19 testing at borders if certified tests have been carried out prior to arrival at the border, for example at company premises. Commercial road transport needs to be designated as an essential service, and professional workers as essential workers, so that they can be included in the priority lists of vaccination programmes.

Source: IRU

Forthcoming Events

CLECAT MEETINGS

CLECAT Customs and Indirect Taxation Institute

31 May 2021, Online

CLECAT Air Logistics Institute

8 June 2021, Online

CLECAT Security Institute

8 June 2021, Online

CLECAT Maritime Logistics Institute

14 June 2021, Online

CLECAT Board

22 June 2021, Online

CLECAT General Assembly

22 June 2021, Online

CLECAT Rail Logistics Institute

23 June 2021, Online

CLECAT Road Logistics Institute

7 July 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

25 May 2021, Brussels 16-17 June 2021, Brussels

European Parliament Plenary

7-10 June 2021, Brussels

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