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Brussels news

CLECAT-TLF PANEL ON INNOVATION IN AIRFREIGHT, SITL PARIS



CLECAT and TLF Overseas will organise a panel session at the SITL in Paris on 20 March, dedicated to Innovation in Airfreight.

Panellists from throughout the air freight value chain will discuss innovation in areas such as screening technology, dangerous goods, digital platforms for track and trace, and data pipeline initiatives.

Speakers include Marc Genestie of Panalpina, Jean-Louis Salfati of Air France Cargo, Thomas van Bunningen of Ericsson, Jean-François Bouilhaguet of Cargo Information Network France and Alexandre Cienki of HTDA. CLECAT Senior Policy Manager Aidan Flanagan will moderate the discussion.

The panel discussion will take place from 15.45 to 16.45, in Hall 6 of the Paris Nord Villepinte exhibition centre, on Tuesday 20 March. More information on the SITL can be found [here](#).

BREXIT UPDATE

The past week several events, meetings and discussions took place on Brexit. Earlier this week, Donald Tusk sent the EU27 Member States his draft guidelines for our relations with the UK after Brexit March European Council. On the occasion of the Council meeting Donald Tusk said:



“During my talks in London last Thursday, and in her speech last Friday, Prime Minister Theresa May confirmed that the UK will leave the Single Market, leave the customs union and leave the jurisdiction of the ECJ (European Court of Justice). Therefore, it should come as no surprise that the only remaining possible model is a free trade agreement. I hope that it will be ambitious and advanced – and we will do our best, as we did with other partners, such as Canada recently – but anyway it will only be a trade agreement. This will be the first FTA in history that loosens economic ties, instead of strengthening them. Our agreement will not make trade between the UK and the EU frictionless or smoother. It will make it more complicated and costly than today, for all of us. This is the essence of Brexit.”

Also this week, the European Parliament endorsed a draft resolution laying out a possible framework for future EU-UK relations after Brexit. According to the Parliament, an association agreement between the EU and the UK could provide an appropriate framework for the future relationship. MEPs insist that it should include a consistent governance framework, with a robust dispute resolution mechanism. The motion, prepared by the European Parliament’s [Brexit Steering Group](#), stresses that the EU has binding common rules to make it clear that even closely-aligned third countries with identical legislation cannot enjoy similar rights, benefits or market access to those of EU member states. The draft resolution welcomes the Commission’s 28 February draft of the [Withdrawal agreement](#) and expresses support for the transitional arrangements proposed. It also reiterates the importance given to securing equal and fair treatment for EU citizens living in the UK and British citizens living in the EU.

The UK published on 6 March their [Technical note: other separation issues - phase 2](#). The other issues include Customs, VAT and excise related matters. However, the note only reaffirms (in a few sentences) positions, which were already published a few months ago. So, on both sides, not much progress was made in terms of final negotiation outcomes and major uncertainty and unclarity for business remains.

In the past week several events and meeting were organised by trade to address their issues and to stress the need for quick and realistic approach. On 28 March CLECAT participated to the Brexit Informal Industry Group, of which CLECAT is a member, meeting with HMRC to discuss their views and plans on a future arrangement. The various trade parties stressed again that clarity and a sufficient transitional period are the main, short term, priorities regardless of possible future arrangements.



During an event in the European Parliament on 7 March, hosted by Wim van de Camp MEP, various trade parties discussed the impacts of Brexit on the fluidity of cross-Channel trade. The event, organised by the Port of Boulogne-Calais, the Port of Dover and FTA, stressed urgent needs for seamless and inventive border processes. Figures from the FTA show that an extra two minutes spent on carrying out checks on a truck at a border

post, would lead to 27km queues. DHL Express called for a transition and eventual agreement which adheres as closely as possible to the status quo, for sufficient personnel and upgraded IT systems for clearance. From the Freight Forwarders and customs brokers perspective, Ton van Grinsven of the Customs Support Group, also called for smart and automated solutions to avoid queues, highlighting various specific issues.



Next week on 15 March an [International Trade Roundtable Conference](#) is organised by Sidley Austin at the WCO headquarters in Brussels in order to provide trade with insight on how to prepare for Brexit in practice. Dominique Willems from CLECAT will participate as a speaker in the Roundtable.

Road

NEXT TRAN COMMITTEE MEETING REVIEWS AMENDMENTS MP

The amendments on the Mobility Package (charging, market and social aspects) will be discussed on the 20th March in the Transport Committee of the European Parliament. The vote on the draft report will be held on the 14/15 May.

The amendments are available [here](#).

EC CALLS FOR IMPLEMENTATION WEIGHTS&DIMENSIONS RULES

The Commission has requested Germany, Poland and Slovenia to fully transpose into national law the updated European rules regarding the maximum weights and dimensions of certain road vehicles ([Directive 2015/719/EU](#)). These rules, which concern international traffic, play an important role for the functioning of the internal market and the free movement of goods in Europe. Among others, the Directive introduces derogations for heavy good vehicles with improved aerodynamic performance, or for those powered by alternative fuels. This is not to penalise the use of cleaner vehicles, which may be longer or heavier than conventional ones. This Directive should have been implemented by Member States by 7 May 2017. All Member States concerned now have two months to ensure full implementation of the Directive; otherwise, the Commission may refer these cases to the Court of Justice of the EU.

Source: [European Commission](#)

GERMAN COURT RULED CITIES CAN IMPOSE DIESEL BANS

On the 27th February, the [German Federal Administrative Court](#) in Leipzig ruled that bans on some diesel cars can be imposed by the municipalities as a measure to improve air quality. However, those bans can only be introduced on the condition that they abide the principle of proportionality. Therefore, cities will be obliged to carefully consider the options which are at their disposal, as well as the consequences of any measure, before issuing a ban on diesel vehicles.

The German Member Association of CLECAT, [DSL](#) acknowledges that there is a need to implement measures which improve local air quality, however, it believes that this can be achieved through other measures than a ban. In that regard, it refers to the growing use of electrically and gas-powered vehicles in the transport sector. Moreover, it welcomes the inclusion of the proportionality principle which requires a gradual extension of diesel bans, as well as the provisional exclusion of modern Euro V delivery vehicles. As long as no affordable alternative can be provided for the transport sector, diesel vehicles will remain essential for the proper functioning of the business and thus there should be an exception for transport companies from possible bans.



While the transport and forwarding industry will continue to improve their route management, it requires financial support, as well as a timely development of 'Smart Cities', which can lead to an effective traffic management. Through this form of cooperation, the air quality could be improved significantly without resorting to bans.

According to environmental lawyer Ugo Taddei, the introduction of a diesel restriction in one city might start an unavoidable 'domino effect' across Germany. The environmental lobby group DUH has continuously argued for such a restriction and predicts that bans could be introduced this year. This would be detrimental for the transport industry, as it might also lead to the emergence of similar laws across Europe. The diesel vehicles which are used by the transport services in Germany currently abide by very high emission standards. Nevertheless, the emergence of diesel bans in cities might lead to very significant shortages in vehicles which can transport the goods within the city centre. Moreover, the economic loss resulting from the devaluation of the newly acquired vehicles with low emission standards would have a substantial impact on the company's finances. Furthermore, driving bans would lead to a diversion of trade structures to the peripheries of cities, thereby contributing to financial losses in the city centres.

Rail

ERFA WELCOMES FRENCH RAILWAY REFORM

In response to a critical report on the future of rail transport highlighting a continuous decline of traffic volumes and the increasing debt of the SNCF's freight division, the French Prime Minister Edouard Philippe introduced a consultation regarding the reform of SNCF. ERFA welcomes the recommendation to maintain freight charges below the marginal cost, in order to make railways more competitive towards road transport. Moreover, it recommends the state to write off SNCF's debts in order to diminish the access charges and the rate of return, thereby enabling new investment. While the freight division was recapitalised by the government in 2005, the debt in 2016 had reached €4.3 billion and is predicted to amount to €5.1 billion in 2020. The current proposal suggests a second recapitalisation of the freight division through transferral of the debt to SNCF Mobility and the establishment of Fret SNCF as a subsidiary company.

Currently, the cost and working conditions of SNCF's staff, which grant them a special status compared to other employees, are partly responsible for the diminished profitability. In that regard, ERFA supports the intention to establish new social contracts with the railway staff members ensuring the same benefits and working conditions as provided in the French Labour Code. ERFA has proposed a higher priority to be given to freight in the allocation of train paths and supports the Prime Minister's recommendation to align SNCF's costs with the European standards. Considering that traffic volumes on the French railway network are declining and the SNCF's share of the overall freight market has fallen by 8 percentage points from 18% in 2003 to 10% in 2016, ERFA urges to the realisation of restructuring measures in order to ensure a future for rail freight in France and Europe.

Source: [Railfreight](#)

DB CARGO EQUIPS FLEET WITH SMART SENSORS

DB Cargo has initiated a multi-million Euros investment aimed at the digitisation of 70.000 wagons until 2020. The project involves the equipment of the freight wagons with GPS and other sensors



which provide real-time information on the current condition of the cargo, including temperature, humidity and impacts. Thereby, the customer will be able to monitor the complete supply-chain and be informed on the current location, as well as the ETA of his goods. Moreover, the entire domestic fleet of DB Cargo is currently being converted to ‘whisper’ brakes, an innovative brake-system which reduces the noise emissions of the rolling wheel by half.

Source: [DB Cargo](#)

LEARN PROJECT ACCELERATES LOGISTICS EMISSIONS ACCOUNTING

The LEARN project, aimed at bringing together different actors to empower business to reduce their carbon footprint across their global logistics supply chain, has announced its current achievements and recommendations.

An agreement has been reached to develop an ISO standard for the methodology of calculating and declaring energy consumption, as well as GHG emission of transport services. This standard could be used as a basis for an emission calculation and a related data quality assurance process.

The interim results of the current test period display a general satisfaction with the framework as a calculation method, while demanding improvement in its data aspect. There are still gaps regarding the data quality which have to be addressed, thus building the basis for a research agenda aimed at filling the priority gaps. Moreover, LEARN developed a training curriculum and initial training materials for road freight carriers (in English, Spanish and Romanian) which will be tested in spring 2018.

Regarding a future development, a ‘network of networks’ is currently being established, which maximises the presence of LEARN through an exchange of news, events and publications with stakeholders. This is further increased through partnership with EC-funded projects in 2018. As a result thereof, LEARN continues to expand its reach to more stakeholders and companies at the senior and operational levels.

Air

EC MEASURES AGAINST CROATIA AND GREECE ON AVIATION SECURITY

The European Commission has referred Croatia to the Court of Justice of the EU for failing to implement some of the common European rules in the field of aviation security ([Regulation \(EC\) No 300/2008](#)). This is a matter of administrative nature that is not linked to security shortcomings. The Regulation requires Member States to regularly update their national aviation security legislation. Such legislation defines organisational structures, responsibilities and mechanisms to monitor activities at national airports, vis-à-vis airlines and aviation security related entities. This is to ensure that any security issue is swiftly detected and corrected. However, and despite repeated requests from the Commission, Croatia still has not formally updated the relevant legislation. The Commission has therefore decided to refer the matter to Court of Justice of the EU. For more information, please refer to the full [press release](#).



The Commission has also sent a letter of formal notice to Greece for failing to comply with some of the common European rules in the field of civil aviation security ([Regulation \(EC\) No 300/2008](#) and [Commission Regulation \(EU\) No 18/2010](#)). A Commission inspection of the Greek civil aviation appropriate authority revealed that entities responsible for the implementation of aviation security standards on the Greek territory were not regularly monitored. Greece now has two months to respond to the arguments raised by the Commission; otherwise, the Commission may decide to send a reasoned opinion.

Source: [European Commission](#)

EU RESPONSE TO ICAO CORSIA CONSULTATION

The European Commission has published the EU's response to an ICAO States consultation on the implementation of CORSIA, the Carbon Offsetting and Reduction Scheme for International Aviation. The EU letter states its support for CORSIA as proposed by ICAO, which it says is not perfect but represents an acceptable consensus. The EU furthermore states its wish that implementation of CORSIA be swiftly ensured and that work on registries, eligible emission units and further Sustainability Criteria themes must be finalised promptly. The letter may be found [here](#).

CORSIA will implement a global market-based mechanism for aviation emissions from 2021, requiring air carriers to purchase offsets for their emissions, in order to limit emissions growth. It will apply to all international flights to/from EU airports, surpassing the EU ETS, the application of which to international flights was suspended pending ICAO action.

Maritime

MARITIME INDUSTRY ON INTERNATIONAL WOMEN'S DAY

Until the present day, there is still a significant gender imbalance in the maritime sector. Therefore, measures have to be taken at the national and international level to make the shipping industry more attractive and safe as a workplace for women. This includes a zero-tolerance policy for bullying and harassment in working places.

Recently, the European Community Shipowners' Associations ECSA and the European Transport Workers Federation ETF have signed a [declaration to promote equal access opportunities in the transport sector](#). Moreover, they are the founding partners of the [European Platform for Change](#), which is committed to increase and improve female employment in the transport sector. Together with support of the Commission, they have produced [guidelines](#) for shipping companies which are aimed at tackling those problems.

In an attempt to increase female participation in shipping, the ETF wishes to improve job quality, adopt active recruitment and retention policies, foster a sound work-life balance and help women to acquire the necessary skills and experience which are required in the industry. This should result in a more gender-sensitive industry, in which ships are safer places to work and provide rewarding career perspectives regardless of gender.

Source: [ECSA](#)



Customs

PUBLIC CONSULTATION ON BINDING VALUE INFORMATION

On the 1st of March the Commission launched an exploratory Public Consultation on the establishment in the EU of Decisions relating to binding information in the field of customs valuation. Advance rulings (in the EU, these are described as customs decisions, also known as Binding Information) relating to the determination of tariff classification and origin of goods are already established. On the other hand, advance rulings in the field of Customs Valuation are not yet available in the EU.

A number of initiatives lead to the consideration of advance rulings in the field of customs valuation (Binding Value Information decisions -BVI). Notably, the World Trade Organization (WTO) Trade Facilitation Agreement encourages WTO members to provide advance rulings in the field of customs valuation. The WTO Agreement on Trade Facilitation (Decision of 27.11.2014 of the WTO General Council) covers a range of commitments on trade facilitation, including Advance rulings.

The Union Customs Code (UCC) provides for decisions relating to the application of customs legislation, including decisions relating to binding information on tariff classification and origin, and the possibility to extend them to 'other factors', which could include customs valuation. Advance rulings on customs valuation (BVIs) may be a useful tool to make available at EU level the valuation treatment that an economic operator can expect at national level under the EU valuation law. Such rulings will not determine or confirm the actual customs value of a particular consignment but would indicate the treatment to apply to a certain element of the customs value.

[The exploratory consultation](#) aims at obtaining the views of stakeholders on the level of interest in, and the need for, a possible initiative by the Commission, on the basis of the Union Customs Code, to establish a legal basis for decisions on Binding Value Information and the potential scope of Binding Value Information, identifying those elements (components) of the customs value of goods which could be covered by such decisions. The results will feed into the more general project undertaken by DG TAXUD on the analysis of the need, relevance, scope, feasibility and implications of a possible initiative by the Commission to provide for Binding Value Information at EU level.

Source: [EU Commission, DG TAXUD](#)

UPDATE EORI DATABASE

EORI stand for Economic Operator Registration and Identification. Any economic operator (a person who, in the course of his or her business, is involved in activities covered by the customs legislation) established in the EU needs to have an EORI number. Economic operators established outside the EU have to be assigned an EORI number if they lodge a customs declaration or an Entry or Exit Summary Declaration. AEO applicants in particular need to have an EORI number. The application for an EORI number should be sent to the customs authorities of the Member States in which the economic operator is established (in case of EU economic operators). Online access to EORI is available from the TAXUD [Databases web page](#).

As from 5 March the EORI2 application is in production. The deployment of "EOS v3.11.0.0" is part of IT-implementation of the Union Customs Code in accordance with the Work Programme set up for this purpose. EORI2 has become necessary due to legal changes brought about by the Union Customs



Code and the delegated and implementing act thereto. It should bring enhancements for both trade and customs. Changes were made to the format of the fields containing company names, in order to adapt to international standards. This goes hand in hand with an increased size of these fields. It is now possible to insert company names with up to 512 characters. For the short name, which is for example used in international data exchanges, 70 characters are available. Further, for EORI numbers that are no longer active the expiry date is a mandatory data element. The information has to be kept for ten years after the expiry date in order to facilitate the correction of customs declarations that have been lodged before the economic operator became inactive. And, for economic operators with an address in a third country, information is available whether this economic operator is considered as being established in the customs territory of the EU and therefore entitled to lodge a customs declaration in the EU. This allows customs to avoid cumbersome checks at the border when the customs declaration is actually lodged. It is a contribution to provide for a smooth flow of goods across the border. An updated e-learning course on EORI is now available for [download](#).

Source: [EU commission DG TAXUD](#)

EU PLAN TO COUNTER US TRADE RESTRICTIONS

On 1 March, President Trump announced the imposition of additional import duties on EU exports of steel and aluminium to the United States. The import duties are set at 25% on steel and 10% on aluminium. Similar restrictions will also be imposed on exports from other suppliers. This action follows investigations undertaken between April 2017 and January 2018 by the US Department of Commerce under Section 232 of the [US Trade Expansion Act of 1962](#). These reports concluded that steel and aluminium imports threatened US national security and recommended the imposition of trade restrictions. However, according to the EU, in essence, these measures are primarily intended to protect the US domestic industry from import competition. Any national security justification appears very weak: the US Secretary of Defence has stated publicly that US military requirements represent no more than 3% of US production and that the Department of Defence is able to acquire the steel and aluminium it needs for US national defence requirements.

As a reaction to the US announcement, on 7 March, the College of Commissioners discussed the EU's response to the possible US import restrictions for steel and aluminium. The College stated that the EU stands ready to react proportionately and fully in line with the World Trade Organisation (WTO) rules in case the US measures are formalised and affect EU's economic interests. The College gave its political endorsement to the proposal presented by President Jean-Claude Juncker, Vice-President Jyrki Katainen and Commissioner for Trade Cecilia Malmström. Speaking after the College meeting, [Commissioner Malmström said](#):

"We still hope, as a USA security partner, that the EU would be excluded. We also hope to convince the US administration that this is not the right move. As no decision has been taken yet, no formal action has been taken by the European Union. But we have made clear that if a move like this is taken, it will hurt the European Union. It will put thousands of European jobs in jeopardy and it has to be met by firm and proportionate response. Unlike these proposed US duties, our three tracks of work are in line with our obligations in the WTO. They will be carried out by the book. The root cause of the problem in the steel and aluminium sector is global overcapacity. It is rooted in the fact that a lot of steel and aluminium production takes place under massive state subsidies, and under non-market conditions. This can only be addressed by cooperation, getting to the source of the problem and working together. What is clear is that turning inward is not the answer. Protectionism cannot be the answer, it never is."



[The Commission announced on 6 March](#) that they will prolong the existing anti-dumping measures on Chinese imports of seamless pipes and tubes of stainless steel for another five years. The duties, ranging from 48.3% to 71.9% were imposed initially in 2011, providing a level-playing field and a breathing space for EU producers, based among others in France, Spain and Sweden.

The Commission said that this is yet another action taken by the EU to defend EU companies and jobs against unfair practices in the international steel trade. The steel sector suffers from a global surplus that has driven down steel prices to unsustainable levels in recent years and had a damaging impact on EU producers and related industries. The EU is using the full potential of its trade defence toolbox to ensure fair conditions for its producers and their ability to maintain jobs in the sector. 53 measures are now in place on steel and iron products, including 27 on products coming from China.

Source: [EU Commission, DG Trade](#)

Sustainable Logistics

EC CALL ON RULES ON GHG EMISSIONS OF FUELS

The European Commission has issued a reasoned opinion to Austria, Belgium, Cyprus, the Czech Republic, Finland, Greece, Latvia, Romania, Spain, and the United Kingdom for failing to transpose EU rules on quality of petrol and diesel fuels ([Council Directive \(EU\) 2015/652](#)) into their national law. The Directive lays down rules to calculate and report the greenhouse gas emissions of fuels and other energy from non-biological sources. The EU regulation aims to yield reporting of sufficient accuracy, so that the Commission can assess the performance of fuel suppliers in meeting their obligations under the Fuel Quality Directive (Directive 98/70/EC). The Fuel Quality Directive aims to achieve at least a 6% reduction of the greenhouse gas intensity of the fuel and energy supplied by the end of 2020. The calculation method has also the advantage of reducing the administrative burden on both suppliers and Member States. Member States had to implement EU rules on the calculation and reporting of greenhouse gas emissions of fuels into their national legislation by 21 April 2017. The Commission had already sent a letter of formal notice to these Member States in May 2017. If the concerned Member States fail to act within two months from the receipt of the reasoned opinion, the case may be referred to the Court of Justice of the EU.

Source: [European Commission](#)

Forthcoming events

CLECAT MEETINGS

Road Logistics Institute/Sustainable Logistics Institute

24 April, Brussels

CLECAT Customs & Indirect Taxation Institute

24-25 May, Paris

CLECAT BOARD/GENERAL ASSEMBLY

29 June, Sofia, Bulgaria



OTHER EVENTS WITH CLECAT PARTICIPATION

FIATA WORKING GROUP ROAD TRANSPORT

14 March, Zurich

SIDLEY AUSTIN ROUND TABLE CONFERENCE: HOW TO PREPARE FOR BREXIT?

15 March, Brussels

FIATA HEADQUARTERS SESSION 2018

15-17 March, Zurich

HIGH-LEVEL CONFERENCE ON EUROPEAN MULTIMODAL FREIGHT TRANSPORT

20 March, Sofia

AIR FREIGHT PANEL TLF/CLECAT

20 March, Paris

CORE FINAL CONFERENCE

11 April, Brussels

GLEC MEETING

15 May, Copenhagen

ALICE PLENARY

22 June, Amsterdam

TEN-T DAYS 2018

25-26-27 April 2018, Ljubljana

EP MEETINGS

European Parliament TRAN Committee

19-20 March 2018

12 April 2018

25 April 2018

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