

# NEWSLETTER

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## Brussels news

#### ELP LUNCH DEBATE ON SAFE AND SECURE PARKING IN THE EU



The European Logistics Platform is organising an interactive forum on issues relating to safe and secure parking in the EU on the 24th April at the Stanhope Hotel in Brussels. The event will be hosted by Elżbieta Łukacijewska MEP and Wim van de Camp MEP (EPP), members of the ELP Advisory Board and of the TRAN Committee.

Truck drivers in Europe are often confronted with a lack of sufficient parking areas and therefore often park in non-secured zones or unsafe locations, exposing themselves and other road users to potential thefts and high risk of accidents. The Commission is therefore acting to improve the situation through a study and more funding for secure truck parking areas. Equally, how does the obligation for drivers to spend their weekend rest out of the cabin impact on the sector and is the proposal from MEP Wim van de Camp, calling for certified dedicated parking areas, a solution which is achievable within the proposed time-lines? These and other questions will be addressed during the lunch debate.

An operational perspective on the needs for secure parking areas will be provided by Benny Smet, CEO of Ninatrans. Ton Barten, CEO of Truckparkings Rotterdam, will present the perspective from a secure truckparking provider. Moreover, the European Commission will be represented by Eddy Liegeois, Head of Unit of Road Transport at DG MOVE. You can register for the event <a href="here">here</a>.



#### FINAL CORE EVENT - 11 APRIL



The final CORE Conference will take place on the 11<sup>th</sup> April at the Stanhope Hotel in Brussels. This is a fantastic opportunity for those involved in the supply chain including freight forwarders, logistics service providers, terminal operators, ocean carriers, local

authorities and customs administrations to come together and hear about the technological breakthroughs that the CORE project has developed and proven over the last four years. Presentations will cover the Global Trade Digitalisation platform (IBM/Maersk), data pipelines and trusted trade lanes. An important part of the event will be to capture the views of industry and authorities to discuss the usefulness of the results and how best to proceed so that the widest possible applicability and real tangible benefits can be achieved.

The <u>agenda</u> of the CORE event is now available. You can still register <u>here</u>.

### Road

#### GERMAN COURT REFUSES MILOG-APPLICATION IN CABOTAGE

Recently, the Fiscal Court of Berlin Brandenburg ruled that controls in accordance with the German minimum wage legislation (Mindestlohngesetz – MiLoG) are inadmissible for international transport services stemming from other Member States of the European Union). According to a recent judgment by the district Court of Ansbach (Landgericht Ansbach: Az 1 S 872/17), the MiLoG is also inapplicable to cabotage. Applying the MiLoG to cabotage would be in breach of the freedom to provide services as enshrined in Article 56 TFEU, according to the Court.

The case at hand concerns civil proceedings in which a German forwarder, being the principal of an inner-German cabotage transport, requested a Polish carrier to prove that his driver received payment in accordance with German minimum wage for the transport. The forwarder made this request conditional for payment of the freight invoice and consequentially refused payment when the carrier denied his request. The county Court Amtsgericht Weißenburg, as well as the district Court Ansbach ruled in favour of the Polish transport company, stating that no prove has to be submitted since the MiLoG is not applicable in the transport sector to foreign competitors. Concerning the application of the MiLoG, the Courts argued that its purpose is to ensure an adequate standard of living in Germany. However, cases of short-term activities taking place on German territory during which the employee retains his residence in another Member State, could not qualify for the application of the MiLoG. Further, the Courts ruled that even in cases of cabotage, there is no sufficient link between the driver and the Member State to justify the application of the minimum wage rules.

According to Frank Huster, managing director of DSLV, the EU needs to clarify its position on posting of drivers as soon as possible to ensure uniform practice in the EU. In that regard, the DLSV stresses that while it believes that national minimum wages should be paid for cabotage operations, international transports should be excluded from the scope of rules on posting due to the lack of a sufficient link between the driver and the Member State. It further alludes to the recent judgments which uniformly argue that national minimum wage legislation cannot be applied to a mobile taskforce. Moreover, the DSLV argues that the legislation should comply with the stringent requirements of the sector while simultaneously ensuring the protection of workers.



Source: **DSLV** 

#### SUBSIDIES FOR THE USE OF SECURE PARKING AREAS IN GERMANY

In view of the growing number of cargo thefts in parking areas, the German government introduced a subsidy in the beginning of 2018 which partly reimburses expenses incurred for parking on secure parking areas.

The parking areas needs to comply with certain minimum requirements to be classified as a secure parking area, thereby making them eligible for the subsidy. Parking areas must be fenced, with restrictions on access, offer video surveillance at all entrances and exits and provide lighting in the entire parking area. Also, sanitary facilities should be within walking distance. Compliance with these requirements has to be demonstrated on the invoice or through a certificate of compliance.

The subsidy applies to the costs incurred for HGV's for parking on secure parking areas in Germany. It covers 80% of the eligible costs, i.e. the net costs incurred in the appropriation period 2018. However, to be eligible for subsidies a minimum total expense of 125€ is needed for each application.

According to DSLV, CLECAT's member association in Germany, the subsidy offered by the German legislator cannot properly address the problem due to a substantial lack of safe and secure parking areas. This can be seen in practice, as the BAG, which is responsible for the management of the subsidy, has not yet received a single request for payment of the subsidy.

Source: Bundesamt für Güterverkehr

#### REDUCTION IN FREIGHT TRAFFIC AT BRENNER PASS

Recently, the Austrian government announced its intention to introduce measures aimed at reducing freight traffic across the Brenner Pass. This announcement raised significant concern as demonstrated by numerous questions from MEPs to European Commissioner for Mobility and Transport, Ms Violeta Bulc. According to the MEPs, the proposal is unacceptable as it will have direct adverse consequences on the transport sector for Italy and the rest of Europe, as most Italian imports and exports pass through the border with Austria. Therefore, the MEPs asked the Commissioner whether such a measure would limit the freedom of movement of goods, whether the proposal follows the same principle as the ecopoints system, and whether the Commission intends to take measures to prevent the Italian and European transport and logistics sector from being damaged by such a system which conflicts with EU law.

In response, Commissioner Bulc noted that the Commission will monitor the discussions on the proposed measure and ensure that any system imposed will be proportionate and shall not unduly restrict the free movement of goods in the EU. According to the Commission, an annual cap imposed on the number of heavy goods vehicles (HGV) which are allowed to cross the Brenner Pass could violate the free movement of goods. Simultaneously, it would create significant detour traffic and raise economic and environmental concerns. However, regarding the questions on the ecopoints, Commissioner Bulc answered that while the system was in operation, it was consistent with EU primary law (cf. Art.15 Transit Agreement 1992 and Art.11 of Protocol 9 of the Act of Accession of the Republic of Austria to the EU).

Source: EP Register



#### GERMAN TOLLS INCREASE LOGISTICS COSTS BY €2 BILLION/YEAR

Starting 1st July, there will be a regional extension of tolls in Germany that will cover additionally 40.000 kilometres of national highway. While the toll rate will not increase, the regional extension imposes an increase in costs of €2 billion per year for the logistics sector.



The maintenance costs of the transport infrastructure have increased to such an extent that its current financing is not sufficient anymore to guarantee the upholding of adequate strength in performance for the German logistics sector. Therefore, the extension of tolls serves as an additional financing framework following the 'user-pays'-principle. In response to this measure, German logistics- and transport associations have called an earmarking of these financial contributions, thereby limiting the use of tolls to the maintenance of roads and bridges.

Considering that tolls can amount to up to 10% of the total costs incurred by the transport sector, it becomes evident that the regional extension of tolls will ultimately have effects on the freight- and consumer prices.

DSLV has welcomed uniform toll rates on motorways (Autobahn) and main roads (Bundesstraße), as it leads to more transparency and will allow transport companies to provide this cost-transparency to their customers. Furthermore, DSLV doubts that there will be diversion of traffic to highways (Landstraße) as the savings which would result from circumventing toll roads would not compensate significant delays resulting from it. While there is no increase in the toll rates yet, DSLV expects an increase early 2019. In order to prepare for this, DSLV has asked for a lead time of at least six months after the regional expansion.

Source: DSLV

# Rail

#### **NEW ACCESS CHARGES MEASURES FOR DUTCH RAILWAYS**

Recently, the Dutch Ministry of Infrastructure and Water Management imposed an obligation on the Dutch rail infrastructure manager ProRail to apply mark-ups and extra charges in their calculation of access charges. Additionally, ProRail has drafted a new method for calculating the minimum access package and must apply a 'what the market can bear'-test. These calculations are currently being assessed by the Dutch Authority for Consumers and Markets. Should the methods be approved, they will be applied starting 2020.

Furthermore, the Dutch Ministry of Infrastructure is cooperating with various parties from the Spoorgoedentafel (Rail Freight Table) to draft possible measures aimed at enhancing the competitive position of the rail freight industry. The measures are supposed to create a level playing field for the Dutch rail freight sector as a response to the German reduction of track access charges. In this regard, the Dutch authorities plan on aligning their track access charges with those of the neighbouring countries.

Extra charges considered by the Netherlands currently include levies for vibrations, noise and damage to the environment. The director of Transport and Timetabling at ProRail, Wouter van Dijk, has



announced the possibility of freezing the track access charges for a period of five years to allow the rail operators more stability. Moreover, he criticised the lack of harmonisation at European level regarding the calculation of access charges. He emphasised that these charges are important and that the application of completely different regimes when crossing the border should therefore be avoided.

Source: Railfreight

### Maritime

#### EC APPROVES JOINT-VENTURE BETWEEN IBM AND MAERSK

On 26 March, the European Commission approved the proposed creation of a joint venture between IBM (US) and the Maersk Group (DK) under the EU Merger Regulation. The joint venture will engage in the development and commercialisation of a new digitisation solution, intended to provide end-toend shipment visibility and document management for global trade. Regarding the overlap between the joint venture's digitisation solution and the companies' activities, the European Commission did not detect competition concerns which would oppose the creation of the joint venture. The transaction was examined under the simplified merger review procedure.

Source: European Commission

### Customs

#### FLEXIBLE TIME LIMITS NEEDED FOR PLANTS AND PLANT PRODUCTS

CLECAT and CELCAA (representing the European sector of agricultural commodities and agri-food trading) recently joined up in an initiative calling for flexible time limits for the prior notification of the Common Health Entry Document for Plants, Plant Products and Plant propagating material as part of the Official Controls Regulation.

The Official Controls Regulation (OCR) addresses official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products. The European Parliament and the Council adopted the new Official Controls Regulation No 2017/625 on 15 March 2017. The Regulation entered into force on the 27 April 2017. The new rules replace Regulation (EC) No 882/2004 on official controls and other legislation which currently governs the control and enforcement of rules along the agri-food chain.

Article 58B of the OCR states that he Commission shall, by means of implementing acts, lay down rules on the minimum time requirements for prior notification of the Common Health Entry Document for Plants, Plant Products and Plant propagating material (CHED PP). Currently the Commission and Member States are discussing the implementing act referred to in Art. 58 of the OCR.

Therefore, CELCAA, representing the European sector of agricultural commodities and agri-food trading, and <u>CLECAT</u>, the European association resenting forwarding, logistics and customs services,



addressed the Commission and Member States to ensure a realistic and efficient solution for both competent authorities and business operators.

CELCAA and CLECAT consider that a too rigid and strict time requirement for pre-notification would mean that filings cannot be done correctly, because information would have to be provided at a moment at which the information is not available yet or could still change. However, it seems that several Member States are proposing that the pre-notification of consignments will need to be done 24 hours before a consignment arrives at an airport or port. This could lead to issues with, for example, air consignments, where short lead times are common. Another example is that it is common trade practice is to release documents (including the CHED) after payments have been made, which could lead to a later arrival of documents at the importer and/or his freight forwarder.

CELCAA and CELCAT sent a letter to the Commission and Member States in which they strongly advise to look for a flexible, realistic solution. Over the next months, Member States will further review and discuss the implementing and delegated acts of the OCR. CELCAA and CLECAT will continue to address the concerns and needs of the private sector in order to ensure the protection of human and animal health and the environment while facilitation legitimate trade.

More information on the Legislation on official controls

#### **INVESTIGATION INTO STEEL PRODUCTS**

The European Commission initiated on 26 March a safeguard investigation on imports of a number of steel products into the EU. The safeguard investigation is one of the three types of measures the Commission announced in response to the US restrictions on steel and aluminium. It concerns products of all origin and its opening does not prejudge its results.

However, the procedure can also result in imposition of import tariffs or quotas that would shield EU producers from excessive imports, if this proves necessary. The surveillance system for imports of steel – in place since March 2016 – has provided evidence that imports of certain steel products have been increasing. This trend may be even stronger now that the access to the US market has been limited and steel products from other parts of the world previously destined to the US may be redirected to Europe, disturbing the market and skewing prices.

The investigation launched this week covers 26 steel product categories. It will in principle be concluded within 9 months; should provisional measures prove necessary, they can be adopted at short notice. The Commission continues to further examine the market situation and is prepared to react as appropriate. Safeguards are one of trade defence tools recognised by the World Trade Organisation. The EU investigation procedure is compliant with the multilateral rules in this respect.

Source: <u>EU Commission</u>, <u>DG Trade</u>

#### WCO GLOBAL AEO CONFERENCE

The 4th WCO Global AEO Conference – with the title: 'Promoting Mutual Recognition of AEOs to Strengthen and Secure Global Trade' - concluded in Kampala, Uganda on 16 March 2018. The conference brought together more than 1100 participants from 95 countries and provided a platform for 125 speakers.



During the conference a total of numerous panel sessions, round tables workshops were organized, together with live demos focusing on operational practices directly related to international trade. Participants were involved in the discussions on how Authorized Economic Operator (AEO) programmes and Mutual Recognition Arrangement (MRA) can provide a secure business environment for economic development, enhance compliance level and increase revenue collection and trade facilitation, obtain more benefits with coordinated border management including MRA at both the bilateral and plurilateral level. Several other issues that ran across the 2.5 days include the need to build trust not only between Customs and private sector companies but also among the Customs authorities, the need to standardize and harmonize the AEO programmes around the world, the different ways of harnessing the upcoming technology solutions, the possible threats to the AEO programmes and MRAs due to trade facilitation benefits, the importance of promoting the AEO programmes to SMEs, the increasing role of intermediaries, among other topics.

The Conference also saw presentations on the successful implementation of AEO programmes in the East African Community (EAC) region and inspired other regional blocks to implement such programmes and learn the lessons from the experience acquired. The participants were also interested in learning the different ways to involve the private sector in the discussions and consolidate the partnership with Customs and other government agencies

Source: World Customs Organisation

# Digitalisation

#### **BREXIT NOTICES ON IT ISSUES**

In the past week, the commission published notices for stakeholders regarding the withdrawal of the United Kingdom from the EU and IT related matters. The notices concern EU rules on .eu domain names, EU legislation in the field of geo-blocking and EU legislation in the field of electronic commerce and net neutrality.

These rules and regulations can affect logistic service providers in various ways. For example, as of the withdrawal date, undertakings and organisations that are established in the United Kingdom but not in the EU will no longer be eligible to register .eu domain names or, if they are .eu registrants, to renew .eu domain names registered before the withdrawal date.

Source: EU Commission, Digital Single Market

# Sustainable Logistics

#### TRILOGUE AGREEMENT ON HDV CO2-EMISSIONS MONITORING

On 26 March, the Council and the European Parliament reached an informal agreement on the regulation on monitoring and reporting of CO2 emissions as well as fuel consumption of new heavyduty vehicles.



The provisional text will be presented to EU ambassadors for approval. Once approved, the text will be submitted to the European Parliament for a vote and then to the Council for final adoption. It will enter into force 20 days after its publication in the Official Journal.

The new system of monitoring and reporting will provide the basis for setting and enforcing standards on CO2 emissions and fuel consumption, and constitutes a precursor to a further legislative proposal on emissions standards which the Commission aims to present in May.

Emissions of heavy-duty vehicles registered in the EU will for the first time be measured and monitored in a standardised way. The regulation will allow for the creation of a central EU register where authorities and manufacturers will provide data on CO2 emissions and fuel consumption performance. In order to be transparent and to allow for easier comparison between different vehicle models this data will be made accessible to the public. The only exception being cases which are justified by the need to protect private data and to ensure fair competition.

CLECAT has consistently called for such measures, so that transport users have clear information about the emissions and fuel performance of the vehicles used to transport their goods. This will enable decisions on smart and efficient logistics and more accurate carbon footprint reporting for freight forwarders.

#### Under the new regulation:

- Member States will monitor and report registration data concerning all new HDVs registered in a calendar year, including trailers.
- Vehicle manufacturers will monitor and report information related to CO₂ emissions and fuel consumption, determined according to the certification procedure for each new vehicle simulated with the Vehicle Energy Consumption Calculation Tool (VECTO) during a calendar
- The Commission will make reported data publicly available in a register, managed by the European Environment Agency. Sensitive data on grounds of personal data protection and fair competition will not to be published, i.e. the Vehicle Identification Numbers and name of component manufacturers. Some other data will be published in a range format, i.e. the aerodynamic drag value of each vehicle.
- The Commission will set up a system of administrative fines in case of vehicle manufacturers not reporting the data or reporting falsified data.
- The Commission will set up a system for monitoring and reporting the results of future onroad tests for the verification of the CO<sub>2</sub>emissions and fuel consumption of heavy-duty vehicles.

Source: EU Council, European Commission

#### CITYLAB ON CITY LOGISTICS

CLECAT attended this week an event hosted by CITYLAB on City Logistics in Living Laboratories. CITYLAB aims to develop innovative solutions for freight distribution and service trips in urban areas. The event addressed the concept of sharing economy logistics, according to which access should be given priority over ownership to achieve more efficient solutions.

Opportunities for capacity sharing at origin, destination and during transport were demonstrated as a helpful tool in organising the last mile in transport. Inefficient freight flows through fragmented deliveries are caused by home-deliveries and small independent retailers, so-called nano-stores. P&G



noted that it was involved in a pilot project in Brussels which used the free physical capacity in the vans of Febelco to deliver their goods to nano-stores. As a result of this pilot, 19 additional kilometres were avoided, while Febelco did not incur any additional kilometres to deliver the orders. The project concluded that it is of significant importance to use service-driven companies with a dense network to provide a decent service level and to limit the additional vehicle kilometres to a minimum. Moreover, a change of behaviour of the customers is required to enable such capacity sharing.

Regarding crowd logistics, analysis showed that currently it is more expensive than traditional transport, as most deliveries are carried out in form of designated trips, which lack the coordination of traditional transport companies. Moreover, the model could amount to unfair competition since the drivers do not need to comply with the requirements to which professional drivers and transport companies must adhere to.

Shared warehousing was also presented as a possible solution to improve the efficiency in the transport sector. In that regard, a neutral multi-supplier multi-retailer platform was proposed, which would enable the storing of products of various suppliers. A pilot project by Delhaize and Colruyt showed the potential to reduce GHG emissions, logistics costs through consolidation and scale effects, and to increased service levels.

Furthermore, the business model of CityDepot was presented which aims at optimising urban supply chains. CITYLAB aims at solving the problems posed during the last mile by cargo-pooling and smart delivery through volume bundling. In this model, goods are delivered to consolidation centres outside the city centres, which use planning software to determine truck loads and optimised route. The combined delivery of different goods in neutral vehicles aims at reducing congestion and optimising efficient logistics.

More information about the CITYLAB project in Brussels can be found <u>here</u>.

#### COUNCIL CALLS FOR STRATEGY TO IMPLEMENT PARIS AGREEMENT

During the European Council meeting in Brussels on 22 and 23 March, the heads of State and Government of the EU Member States called upon the European Commission to urgently develop a draft of a new long-term climate strategy on EU level. This strategy shall be ready by early 2019 and delineate the way in which the Paris Agreement commitments are carried out by the EU.

In reaction to the Council meeting, the Director of the Climate Action Network Europe (CAN), Wendel Trio, welcomed the conclusions and argued that this is an important step for achieving the climate target of the EU, as he believes that the current climate target for 2030 is insufficient. In this regard, the strategy needs to address how the EU will try to maintain the temperature within the 1.5°C limit that has been set by the Paris Agreement.

This strategy, which may lay the foundation for the EU's climate policy, marks the first time the Council has demanded practical measures to realise the objectives in the Paris Agreement.

Source: Climate Action Network Europe



# Forthcoming events

#### **CLECAT MEETINGS**

Road Logistics Institute/Sustainable Logistics Institute 24 April, Brussels

**CLECAT Customs & Indirect Taxation Institute** 25 May, Paris

CLECAT BOARD/GENERAL ASSEMBLY

29 June, Sofia, Bulgaria

#### OTHER EVENTS WITH CLECAT PARTICIPATION

#### **CORE FINAL CONFERENCE**

11 April, Brussels

#### **ERFA ANNUAL EVENT**

18 April, Brussels

#### FEDESPEDI PUBLIC EVENT

18 April, Milan

#### **ELP LUNCH EVENT ON SECURE PARKINGS**

24 April 2018, Brussels

#### **TEN-T DAYS 2018**

25 - 27 April 2018, Ljubljana

#### **BELGIAN CUSTOMS CONFERENCE 2018**

26 April 2018, Belgium

#### **GLEC MEETING**

15 May, Copenhagen

#### UIRR-ERA CONFERENCE: MULTIMODAL YEAR 2018 – THE FUTURE OF INTERMODAL

16 May, Brussels

#### **CSR Europe Sustainability Summit**

23 May, Brussels

#### ITF 2018 Summit: "Transport Safety and Security"

23 - 25 May 2018, Leipzig

#### **ALICE PLENARY**

22 June, Amsterdam



#### **EP MEETINGS**

#### **European Parliament TRAN Committee**

12 April 2018 25 April 2018

#### **European Parliament Plenary Session**

16-19 April 2018, Brussels

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