

# NEWSLETTER

european association for forwarding, transport, logistics and customs services 11 June 2018

#### Table of content

TRANSPORT COUNCIL RESULTS	P 1	EU BUDGET FOR CUSTOMS AND TAXATION	P 4
COMMISSION PROPOSES CEF BUDGET	P 1	EC PROPOSES €9.2 BILLION INVESTMENT IN FIRST EVER DIGITAL PROGRAMME	P 5
COUNCIL AGREES TO FACILITATE RECOVERY OF UNPAID TOLLS	P 2	CYBERSECURITY CERTIFICATION FRAMEWORK	P 5
REMINDER - SURVEY ON DECARBONISATION	Р3	TRAN PUBLIC HEARING ON DIGITALISATION IN TRANSPORT	P 6
ROTTERDAM APPLIES INCENTIVES FOR EMISSION-FREE VEHICLES	Р3	EU-US TRADE: EC REBALANCES DUTIES ON US PRODUCTS	P 6
BREXIT NEGOTIATIONS	Р3	COUNCIL AGREEMENT ON MODERNISATION EU ELECTORAL LAW	P 7

## Brussels news

#### TRANSPORT COUNCIL RESULTS

During the meeting of the Transport Council on 7 and 8 June, general approaches were reached on the following legal initiatives:

- The Council adopted a general approach on updated electronic road tolling and exchange of information. You will find <a href="here">here</a> the general approach adopted and the press release <a href="here">here</a>. (see more below under 'Road')
- The Council also adopted a **general approach on updated rules on port reception facilities** which aims to prevent dumping of waste into the sea. You will find <a href="here">here</a> the general approach adopted and the press release <a href="here">here</a>.
- A general approach was adopted on the proposed rules for safeguarding competition in air transport. This proposal ensures fair competition between EU airlines and third country carriers while maintaining conditions conductive to a high level of connectivity. You will find here the general approach adopted and the press release here.

Furthermore, Ministers discussed the social pillars of Mobility Package 1, the Combined Transport directive and the clean vehicles Directive of Mobility Package 2 as progress reports only. Furthermore there was an exchange of views on the Mobility Package 3.

#### **COMMISSION PROPOSES CEF BUDGET**

On 6 June, the Commission published the proposal for the next Connecting Europe Facility (CEF II). The proposal sets out the objectives of the financial instrument and the funding modalities. In total,



the Commission proposed a CEF budget for 2021-2027 of €42.3bn, with a transport envelope of €30.6bn.

The CEF II proposal supports three overarching transport objectives: 1) the development of projects of common interest relating to efficient and interconnected networks (with a focus on core network, 60% of the budget), 2) infrastructure for smart, sustainable, inclusive, safe and secure mobility (core and comprehensive network, 40% of the budget) and 3) the adaption of the TEN-T network to military mobility needs.

CLECAT welcomes the new proposal which is clearly prioritising on cross-border projects, both in the identification of projects as in the levels of co-funding. The new proposals recognise the need for the rebalancing between the investments in basic infrastructure, the investments in smart, efficient and sustainable infrastructure projects, the focus on climate-proof investments and the synergies between transport, energy and digital sectors in order to accelerate the decarbonisation and digitalisation of the EU's economy.

In comparison to the CEF budget of 2014-2020, the new budget represents a 47% increase, which shows the EU's commitment to a well-connected and integrated Union which shall allow businesses and citizens to benefit from the free movement and the single market to the fullest extent.

As the next step, a swift agreement on the overall long-term EU budget is needed. Reaching such an agreement in 2019 would therefore provide a seamless transition between the long-term budgets.

Source: European Commission

### Road

#### COUNCIL AGREES TO FACILITATE RECOVERY OF UNPAID TOLLS

On 7 June, the Council adopted a general approach on updated electronic road tolling rules, which include a legal basis for sharing of information between Member States. This initiative was based on the wish of Member States to grant each other access to national vehicle registration data in order to facilitate the tracking of owners of foreign vehicles that fail to pay road tolls. The possible administrative or legal consequences followings this update will depend on the national law of the country where the failure to pay a road fee took place.

The draft directive aims at improving the interoperability of electronic tolling systems across Europe through the removal of administrative barriers and by providing electronic tolling providers easier access to the toll collection market. This aims at allowing road users to travel across the EU while paying their electronic tolls with one on-board unit, one contract and one invoice. Furthermore, the Council has strengthened the provisions on data protection in this general approach.

The draft Directive will have to be approved by the Council and the European Parliament. The general approach can be found <a href="here">here</a>.



# Sustainable Logistics

#### **REMINDER - SURVEY ON DECARBONISATION**

The International Transport Forum's "Decarbonising Transport"-Project is currently conducting an expert survey on Decarbonising Road Freight Transport. The project was launched in May 2016, with the aim of responding to the need of transport actors to identify effective policies for CO2 reductions, as well as to evaluate the impact of national commitments (NDCs) on CO2 emissions.

The survey which is conducted as part of the project targets a wide range of stakeholders with the objective of identifying pressing issues facing the sector and gathering initial evidence on the cost-effectiveness of different decarbonising measures and their policy implications. These measures include changes to logistics, alternative fuels and improvements to vehicle efficiency. The survey also explores how emerging market trends and disruptive technologies might shape the sector.

The findings will be compiled as input to the forthcoming thematic report on Decarbonising Road Freight Transport. The survey is completely anonymous; survey answers and results will not be related to any specific respondents.

CLECAT would kindly ask you for your help by completing the questionnaire, which should take approximately 15 minutes, by 13 June 2018. The survey can be accessed <u>here</u>.

#### ROTTERDAM APPLIES INCENTIVES FOR EMISSION-FREE VEHICLES

The city of Rotterdam has started a test phase during which emission-free LCVs will be able to use 19 bus lanes in the urban area of Rotterdam. Additionally, in addition to the usual timeslot between 5h and 10:30h, those vehicles will be allowed to carry out deliveries to businesses in pedestrian zones from Monday to Thursday also between 18h and 20h. The test phase is anticipated to end in April 2019.

Through the application of these measures, the city intends to incentivise the use of vehicles with alternative drive technologies. Moreover, the use of the 19 bus lanes in the area will also be allowed for taxis, coaches, and school buses with electric drive.

## Customs

#### **BREXIT NEGOTIATIONS**

On the 7<sup>th</sup> June, just before the end of the current negotiation round which expires at the end of this month, the UK has released various new policy proposals on a <u>temporary customs arrangement</u>, <u>transport</u>, <u>security</u>, <u>data protection</u> and an updated <u>withdrawal bill</u>.

The Commission's response to these proposals and the progress made was mixed. On a certain number of subjects linked to the orderly withdrawal progress was made. The EU considers that these subjects can be resolved before the next European Council, which means that, in the document some yellow parts can be changed into green and some white parts into green. But, according to the



Commission a lot of issues remain to be solved with regards to the protection of the (personal) data, the protection of geographical indications, infringement and administrative procedures, governance of the withdrawal bill and of course Ireland and Northern Ireland.

In a press release issued by the Commission last week, Michel Barnier noted that the EU article 50 Task Force is examining the new UK <u>Customs arrangements paper</u> objectively by looking at three questions: Is this a workable solution to avoid a hard border; Does it respect the integrity of the Single Market and the Customs Union; Is this an all-weather backstop? These questions require further discussion. The UK itself recognises that these questions are relevant and difficult. However, according to the EU team, the UK also recognises that the proposals in its paper cannot qualify as a backstop since the issue of full regulatory alignment, among other issues is not addressed.

Regarding the framework for the future relationship, which will include an economic partnership and strategic cooperation in the area of security, Michel Barnier said:; "In all the UK papers that we have been receiving until now – which I read carefully with my team – there has been a request to maintain the status quo, a form of continuity, which is paradoxical seeing as the country decided itself to leave the European Union. The United Kingdom seems to want to maintain the benefits of the current relationship, while leaving the EU regulatory, supervision, and application framework. When we respond to UK leaders saying that these benefits are not accessible outside the EU system – because of their decision – some people in the UK try to blame us for the consequences of this. I simply want to say that we will not be swayed, I will not be swayed, by this blame game. The United Kingdom decided to leave the Union. We respect this democratic decision and we will implement it. The United Kingdom must assume the consequences. If we want to construct a new relationship, we need a basis of trust. We also need more realism about what is and is not possible".

Sources: EU Commission, Brexit and UK.Gov, Brexit

#### **EU BUDGET FOR CUSTOMS AND TAXATION**

On 8 June, the Commission proposed measures to make tax and customs cooperation between Member States better and more efficient for the next long-term EU budget 2021-2027.

According to the Commission, continued funding of these programmes will help the EU to progress in offering businesses unfettered and easy access to the EU's Single Market so that trade can flourish, protect citizens from dangerous goods entering the Union at our external borders and ensure that Member States are equipped to fight tax avoidance and tax evasion. The Commission is proposing a continued financial commitment of €950 million for the EU's customs programme and €270 million for the EU's Fiscalis programme, representing just 0.07% and 0.02% of the next EU budget respectively.

The new Customs Programme will help put in place a modern Customs Union which puts the interests of EU business and citizens at its heart, by increasing information and data exchange between national customs administrations to better detect the flow of dangerous and counterfeit goods, by supporting customs authorities in protecting the financial and economic interests of the Union, as well as in the correct collection of customs duties, import VAT and excise duties, by devising better risk management strategies to protect the EU's financial interests; and help the EU better respond to security threats and transnational crime and finally, by continuing to facilitate growing levels of trade, as EU customs authorities handled 331 million declarations last year. The Fiscalis programme has similar goals.



The two programmes mainly include a continuation of the important Multi Annual Strategic Plan (MASP) which supports the UCC workplan (including Centralised Clearance and ICS 2.0) and the work done so fat for the VAT action plan.

According to the Commission, swift agreement on the overall long-term EU budget and its sectoral proposals is essential. Delays, similar to the ones experienced at the beginning of the current 2014-2020 budgetary period, would mean that the EU loses out on revenues to the EU budget from an efficient collection of EU customs duties, that customs authorities are less able to keep our borders safe, and that citizens are less protected. An agreement on the next long-term budget in 2019 would provide for a seamless transition between the current long-term budget (2014-2020) and the new one and would ensure predictability of funding to the benefit of all.

Source: EU Commission, DG Taxud

# Digitalisation

#### EC PROPOSES €9.2 BILLION INVESTMENT IN FIRST EVER DIGITAL **PROGRAMME**

The European Commission proposed on 6 June to create the first ever Digital Europe programme and invest €9.2 billion to align the next long-term EU budget 2021-2027 with increasing digital challenges. With the Digital Single Market strategy a regulatory framework was established. According to the Commission, this needs to be matched with equally ambitious funding and investments in the Digital Europe programme for increasing EU's international competitiveness as well as developing and reinforcing Europe's strategic digital capacities. These key capacities concern high-performance computing, artificial intelligence, cybersecurity and advanced digital skills and ensuring their wide use and accessibility across the economy and society by businesses and the public sector alike.

Digital Europe is a new programme and will be part of the "Single Market, Innovation and Digital" chapter of the EU's long-term budget proposal. Building on the Digital Single Market strategy launched in May 2015 and its achievements over the past years, its main objective is to shape Europe's digital transformation to the benefit of citizens and businesses.

The Commission has also proposed to increase the budget for the digital infrastructure projects under the Connecting Europe Facility (CEF) to €3 billion (see also article above).

Source: EU Digital Single Market

#### CYBERSECURITY CERTIFICATION FRAMEWORK

The EU is to enhance its cyber resilience by setting up an EU-wide certification framework for information and communication technology (ICT) products, services and processes. The industry could use the new mechanism to certify products such as connected cars and smart medical devices. The Council today on 8 June its general approach on the proposal, known as the Cybersecurity Act. The proposal will also upgrade the current European Union Agency for Network and Information Security (ENISA) into a permanent EU agency for cybersecurity.



The draft regulation creates a mechanism for setting up European cybersecurity certification schemes for specific ICT processes, products, and services. Certificates issued under the schemes will be valid in all EU countries, making it easier for users to gain confidence in the security of these technologies, and for companies to carry out their business across borders. Certification will be voluntary unless otherwise specified in EU law or member states' law. Features covered would include for instance resilience to accidental or malicious data loss or alteration. There will be three different assurance levels: basic, substantial or high. For the basic level, it will be possible for manufacturers or service providers to carry out the conformity assessment themselves.

The new rules will grant ENISA a permanent mandate and clarify its role as the EU agency for cybersecurity. ENISA will be given new tasks in supporting member states, EU institutions and other stakeholders on cyber issues. It will organise regular EU-level cybersecurity exercises, and support and promote EU policy on cybersecurity certification. The first EU legal act on cybersecurity, the network and information security (NIS) directive from 2016, had already given ENISA a key role in supporting the implementation of the directive. A national liaison officers network will be part of the mandate facilitating information sharing between ENISA and the member states.

The text agreed is the Council's position for negotiations with the European Parliament. Both the Council and the Parliament have to agree on the final text before it can enter into force.

Source: **EU Council** 

#### TRAN PUBLIC HEARING ON DIGITALISATION IN TRANSPORT

On 20 June, the TRAN Committee of the European Parliament will hold a public hearing on digitalisation in transport, which aims at achieving a better understanding its impact on transport. The reason for the public hearing is based on the TRAN Committee's realisation that digitalisation must continue to be one of the top priorities for the transport sector to increase its attractiveness and ensure its strong economic position in Europe towards third countries. The focus of the debate is on passenger transport but some freight related issues will be covered by the maritime sector.

The hearing will be held from 10:15h to 11:45h and will be webstreamed. The programme is available here.

### General

#### **EU-US TRADE: EC REBALANCES DUTIES ON US PRODUCTS**

The College of Commissioners endorsed on 6 June the decision to impose additional duties on the full list of US products notified to the World Trade Organisation (WTO), as part of the EU's response to the US tariffs on steel and aluminium products. Following the decision to apply additional duties to selected imports from the US, the Commission expects to conclude the relevant procedure in coordination with Member States before the end of June so that the new duties start applying in July.

The application of the rebalancing duties is fully in line with WTO rules, and corresponds to a list of products previously notified to the WTO. The WTO Safeguards Agreement allows for a rebalancing corresponding to the damage caused by the US measures with EU exports worth €6.4 billion (2017)



being affected. The EU will therefore exercise its rights immediately on US products valued at up to €2.8 billion of trade.

The imposition of rebalancing duties on a list of selected US products is part of the three-pronged response outlined by the European Commission, that includes the launch of legal proceedings against the US in the WTO (on 1 June) and the possible triggering of safeguard action to protect the European market from disruptions caused by the diversion of steel from the United States market. On this, an investigation was launched on 26 March and the Commission has nine months to decide whether safeguard measures would be necessary. If the investigation confirms the necessity for swift action, such a decision could be taken by summer.

On 8 June new trade defence rules also became effective. All new investigations initiated on or after this date will be subject to the modernised anti-dumping and anti-subsidy rules. Companies will benefit from an early warning system telling them if provisional duties will be imposed, which will help them adapt to the new situation. The Commission will support smaller and medium-sized companies (SMEs) via its specific "SME helpdesk" to make it easier for them to participate in trade defence proceedings. As a result of changes to the so-called 'lesser duty rule', in some cases, the EU may be able to impose higher duties. This will apply to all anti-subsidy cases, as well as antidumping cases concerning imports produced using raw materials and energy provided at an artificially low price.

CLECAT warns its members and their customers that the imposing of anti-dumping and anti-subsidy measures often leads to fraud. Fraud can occur intentionally or by naivety caused by a lack of understanding of trade rules. Especially in first period after measures have been taken, companies should be careful with producers who suddenly moved their production facilities to other countries or claim to have found creative ways to avoid the duties.

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

#### COUNCIL AGREEMENT ON MODERNISATION EU ELECTORAL LAW

On 7 June, the Council approved a draft decision amending the Electoral Act from 1976, which lays down a number of common rules concerning elections to the European Parliament. This agreement was preceded by a 2.5-years negotiation period that started in November 2015. After the text has been finalised in all official languages, it will be submitted to the European Parliament for adoption as a package.

The new rules contained in the electoral law aim at enhancing the participation of citizens in EP elections, raise awareness of their European character and prevent irregular voting, while respecting the constitutional and electoral traditions of the Member States.

Amongst other measures, the Council suggests the imposition of an obligatory threshold of 2-5% for constituencies with more than 35 seats. This obligation would also apply to single-constituency Member States and would have to be complied with at the latest during the 2024 EP elections.

Further changes include new provisions on double voting, voting in third countries, different voting methods and the visibility of European political parties in the Member States. In accordance with the new text that has been agreed in the Council, Member States will be obliged to establish effective penalties for cases in which an EU citizen votes in more than one Member State. Furthermore, contact authorities for the exchange of data on citizens who are seeking to vote or stand as candidate in a Member State of which they are not nationals will have to be designated.



Another important aspect that has been included in the Council's text concerns the encouragement of Member States to take measures allowing their citizens residing in third countries to vote in elections to the European Parliament. Member States will be allowed to offer different forms of voting, including internet voting. In order to be applicable for the 2019 EP elections, any changes to the Electoral Act of 1976 would have to be adopted by mid-2018 at the latest.

Source: Council of the EU

# Forthcoming events

#### **CLECAT MEETINGS**

#### CLECAT BOARD/GENERAL ASSEMBLY

29 June, Sofia, Bulgaria

#### OTHER EVENTS WITH CLECAT PARTICIPATION

#### **EU PORTS FORUM**

12 June, Brussels

#### DIGITAL TRANSPORT AND LOGISTICS FORUM PLENARY MEETING

14 June, Brussels

#### TLF ANNUAL EVENT

20 - 21 June. Paris

#### **CONFERENCE ON TRANSIT FRAUD**

20 June, Brussels

#### **ALICE PLENARY**

22 June, Amsterdam

#### FIATA WORLD CONGRESS

26-29 September, New Delhi

#### **EP MEETINGS**

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

20 - 21 June

9 - 10 July

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

12 - 14 July, Brussels



#### Contact

#### Nicolette van der Jagt

Director General CLECAT

Rue du Commerce 77, B-1040 Brussels, Belgium

**Tel** +32 2 503 4705 / **Fax** +32 2 503 47 52 E-mail nicolettevdjagt@clecat.org / info@clecat.org

**y** @CLECAT\_EU www.clecat.org



european association for forwarding, transport, logistics and customs services

