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News from Brussels

WILLEM VAN DER SCHALK NEW CLECAT PRESIDENT



On 17 March, the General Assembly of CLECAT unanimously elected Mr Willem van der Schalk (DSLV) as its new President, replacing Mr Steve Parker (BIFA), who had been at the helm of CLECAT since December 2015.

As CEO of Hamburg based Freight forwarding company a.hartrodt, Mr van der Schalk has gained wide experience in the freight forwarding business for many years. Mr van der Schalk is also well experienced in the management of associations on many levels as former Vice-President of the German Federal Association for Freight Forwarding and Logistics DSLV. Mr van der Schalk is also President of the Hamburg Freight Forwarder's Association.

The CLECAT General Assembly thanked outgoing President Parker for his contributions to the sector. Following a discussion on the impact of the COVID-19 outbreak, Mr van der Schalk said: 'Many challenges still lie ahead of us to keep international trade moving. We are pleased to see the recognition of Commission President von der Leyen, noting that the free circulation of goods is crucial to maintain availability of goods. Control measures should not cause serious disruption of supply chains, essential services of general interest and of national economies and the EU economy.' He

added: 'The current crisis demonstrates again the importance of logistics for the European economy and society as a whole. I hope I can support the sector through these difficult waters.'

In expressing his goals and expectations for the coming years, Mr van der Schalk noted: 'I truly believe in the strength of Europe and the Single European Market. The future of the European logistics industry is largely determined by rules and regulations on the internal market and on the EU's trade relation with third countries around the world. Therefore, an industry as important for the smooth functioning of the global economy as logistics, needs a strong voice in Brussels.'

CLECAT CALLS ON EC TO ADDRESS SPECIFIC CUSTOMS ISSUES RELATED TO COVID-19

On 19 March, CLECAT issued an official letter calling on the European Commission to take measures related to customs formalities to ensure the flow of essential goods across the EU borders. Customs plays a major role in safeguarding the security of supplies and the integrity of the supply chains. The Freight Forwarding and Customs Brokerage sector, which ensures the fulfilment of Customs formalities jointly with authorities, urgently requires additional measures, support and communication to keep cargo flows running.

Dominique Willems, CLECAT's Senior Manager, noted: 'We have written to Commissioner Gentiloni asking to take initiatives towards Customs authorities to encourage them to allow for delayed and other related taxes and payments.' 'We have noted that across Europe, governments have announced measures which allow the delayed payment of taxes such as income tax, corporate tax and VAT. Unfortunately, no such measures were announced in relation to Customs duties and other related taxes and payments.' He continued: 'our members are also urgently calling for the extension and flexibility in deadlines for Customs procedures and other formalities. Due to long waiting times at external and internal EU borders, reduced capacity for the public and private sector, general disruption in transport and at the same time a major increase of certain goods, deadlines for closure of Customs procedures cannot be met in all cases. The issue is especially pressing in relation to Transit procedures but is also affecting other procedures. If no such action would be taken, additional Customs debts and administrative burden will occur, putting an even heavier strain on supply chains.'

Despite the EU's ambition to digitise all exchange of information related to Customs formalities, many documents, certificates and other paper-based evidence need to be provided physically by economic operators to Customs authorities. Likewise, where certain validation by authorities such as stamps or signatures is required, this remains to be done physically and in person by those authorities. In order to safeguard the health of both the officials and the employees of economic operators and to minimise workload and waiting times, CLECAT calls for pragmatic solutions which allow for the digital exchange of documentation, such as the exchange of digital copies through email.

To reduce current delays and disruption at the EU's internal and external borders, we urgently call on the EU Commission to advise and assist Customs authorities to reduce non-essential or non-time pressure related physical and administrative checks to a minimum and focus on crucial formalities. Lastly, CLECAT calls on the Commission to provide clear, timely and EU-wide communication related to Customs formalities. A functional and structured information system between the Member States and the Commission and towards the supply chain actors is needed.

The CLECAT letter and press release are available [here](#).



CLECAT CALLS ON EC TO FACILITATE ROAD FREIGHT TRANSPORT

Seeking to alleviate the impact of COVID-19 on road freight transport, CLECAT has written to EU Commissioner for Transport, Ms Adina-Ioana Vălean, asking to ensure the uninterrupted flow of essential goods across the intra-EU borders and offering a few recommendations of the European freight forwarding and logistics industry.

Although at present all EU borders remain open for freight transport, CLECAT considers that the European Commission has an important role to play in facilitating the existing burdensome situation in the road freight transport sector and the overall logistics supply chain. As such, CLECAT has suggested that the Commission recommends the Member States to undertake certain measures, such as centralising information exchange, lifting certain traffic restrictions and embracing harmonised procedures for border controls as well as police road-side checks.

In particular, CLECAT has called on the Commission and Member States to suspend the restriction to spend the regular weekly rest in the vehicle's cabin and take a more flexible approach towards driving and rest time rules. To note, a number of Member States (e.g., Spain, Germany, Austria, Slovakia) have already relaxed driving and rest time requirements, a step highly welcomed by CLECAT.

EXTRAORDINARY TRANSPORT MEASURES BY EU INSTITUTIONS

At the informal Emergency Transport Council which took place on 18 March by video-conference, EU Transport Ministers exchanged views on how to best ensure economic continuity, the smooth flow of essential goods, the health and safety of transport workers and their free movement across borders, while containing the ongoing outbreak of COVID-19.



Reporting on the [conclusions](#) of the Council, the Croatian Presidency noted that Ministers agreed with the European Commission to work closely together to minimise traffic disruptions, especially for essential freight. The Commission indicated a list of actions in its intervention, aimed at protecting the proper functioning of the single market, which includes the free movement of transport workers, 'green corridors' – priority lanes for freight transport, flexibility for rules on driving and rest times and pre-notification of national measures to the Commission.

Ministers also discussed how to alleviate the negative impact on the transport sector. They agreed that responses to COVID-19 should not aggravate economic and social distress by cutting off much-needed transport links. It was acknowledged that the current situation calls for continued solidarity and strong cooperation among the Member States, yet no concrete outcomes or initiatives followed.

In the meantime, the Commission has published the [guidelines](#) for border management measures to ensure the availability of goods and essential services, in which the need for Member States to designate 'green lanes' for emergency transport services at road borders were first-mentioned. The Commission has also compiled an [overview](#) of the restrictions to transport, such as travel restrictions and border controls, imposed by different EU Member States. This list is being updated regularly.

On the European Parliament's side, an extraordinary plenary session will be organised on 26 March in order to approve the Commission's recent proposals, including on the allocation of slots at EU airports.



The mini-plenaries of 1-2 April and 22-23 April will be cancelled, while Strasbourg plenary sessions in May, June and July will be turned into 2-day mini plenaries in Brussels.

Rail

FREIGHT ASSOCIATIONS CALL FOR FURTHER ACTION TO SECURE RAIL FREIGHT SUPPLY CHAINS AND MOBILITY OF GOODS

On 19 March, CLECAT, together with Cefic, ERFA, ESC, UIP and UIRR published a joint press release calling for further action to secure rail freight supply chains and mobility of goods. The associations welcomed the agreement of 18 March between EU Transport Ministers and the European Commission to work closely to minimise traffic disruptions, especially for essential freight. For rail freight to be able to play a leading role in freight flows, the associations believe further measures need to be taken, both by the European Commission and national authorities.

The associations noted that the agreement between the EU Transport Ministers and the European Commission is a positive progression from the Commission [Guidelines for border management measures to protect health and ensure the availability of goods and essential services](#) published on 16 March. For rail freight to be efficient, coordination of national responses is essential. The commitment of Transport Ministers to work together is therefore highly welcome.

There are several critical success factors for international rail freight to play a leading role in connecting European economies and to be able to act as the backbone for securing the supply of raw materials, food and medical goods. The EU transport Ministers and Commission agreement, as well as the Guidelines for border management, are welcome, but need to be followed by concrete actions.

The associations therefore urge the European Commission and national authorities to consider the following elements in their decision-making process so as to allow rail freight to contribute to the unprecedented logistical challenges faced by European companies and retailers:

- Rail Freight Corridors must become “green lanes” to guarantee European supply chains
- Allow cross border movements for systemic relevant staff
- Safeguard a minimum capacity at maintenance facilities
- Introduce flexibility in the regulatory framework to avoid traffic disruptions
- Coordinated approach to capacity restrictions
- Temporary Capacity Restrictions and Construction Works
- Economic Support for Continued Freight Flows, which could include, but are not limited to:
 - Temporary waiver or reduction of track access charges (via flat rate) and energy costs (lowering)
 - Abolish fees for short-term train path cancellations and changes
 - Adopting incentive policies for rail freight transport to compensate irregular traffic
 - Allow tax exemption or extension of payment terms for logistics operators such as railway undertakings and terminals.

The full press release, outlining details for each of the elements listed above is available [here](#).



Air

DRAFT LEGISLATION ON TEMPORARY AMENDMENT OF SLOT RULES

Further to the [announcement](#) by the European Commission to put forward targeted legislation to temporarily alleviate airlines from their airport slot usage obligations under EU law, a draft proposal has been published, which takes note of the cancellation of flights and/or operation of empty flights, and the consequences which this would have on the 80/20 'use it or lose it' slot usage rule.

The draft proposal prescribes that the EU Slot Regulation should be amended so as to protect the grandfathering rights of air-carriers for those slots that have not been used during the period when the aviation market has been most affected by the COVID-19 outbreak. The period proposed covers the four-month period between 1 March 2020 and 30 June 2020 for all flights. For the purposes of assessing accrual of grandfathering rights, slots allocated for that period should be seen by slot coordinators as having been operated by the air carrier to which they had initially been allocated. The Commission shall monitor the developments and shall be empowered to prolong the period through a delegated act, if necessary. Moreover, an additional, earlier period is included in respect of slots used for flights between the EU and China or between the EU and Hong Kong from 23 January 2020.

Any slots freed by air carriers as a result could be reallocated by coordinators according to needs, e.g. to full freighters. However, any such reallocation would have an ad hoc character only and would not affect the position of carriers that, under the rule proposed, would be deemed to have operated the slots in question.

The Commission has called on the European Parliament and the Council to swiftly adopt this measure in co-decision procedure. The European Parliament's Transport (TRAN) Committee has announced that the Parliament is committed to finding a quick solution with the Council.

On 20 March, the EU Member States' ambassadors in the Council's Permanent Representatives Committee (COREPER) [approved a mandate](#) for the Council Presidency to negotiate with the European Parliament a proposal to waive this 'use it or lose it' rule until 24 October 2020. Under the mandate, the waiver will apply from 1 March to 24 October 2020, to cover the entire summer season. It will also apply retroactively from 23 January to 29 February 2020 for flights between the EU and China or Hong Kong. If the current serious situation persists, the measure can be extended quickly by means of a Commission delegated act.

The amendment needs to be approved by both the Council and the European Parliament. Both institutions are working to finalise the proposal as a matter of urgency.

ICAO ON INTERNATIONAL STANDARDS SUPPORTING COVID-19 RESPONSE EFFECTIVENESS

On 18 March, the International Civil Aviation Organization (ICAO) [issued a call to governments on COVID-19 response effectiveness](#), urging all of its 193 Member States to establish or adhere to several key international requirements contained in Annex 9 to the Chicago Convention, and relating primarily to the movement and screening of passengers and goods.



States were strongly urged in the ICAO State Letter to coordinate between aviation and health authorities and to establish National Facilitation Committees that comprise all relevant groups. They were also encouraged to adhere to ICAO Annex 9 standards relevant to sustainable air freight operations and the global air cargo supply chain, and to refer to specific Annex 9 guidance and other ICAO guidance manuals concerning additional measures to be applied in a health emergency, including screening.

The ICAO Annex 9 standards to expedite the release and clearance of goods carried by air include a focus on the use of modern screening techniques for examination of goods, and others which importantly apply to the entry, departure, and transit of aircraft engaged in relief flights. States in this context were reminded by ICAO to implement measures to facilitate the receipt of aid, including through the provision of overflight and landing rights and the necessary privileges and immunities for relief units, in an effort to avoid disruption.

“I have been pleased to note that several States have implemented measures to prevent disruptions to such critical operations, by maintaining all cargo flights and excluding crew members of cargo flights from quarantine,” noted ICAO Secretary General Dr. Fang Liu.

ICAO ADOPTS ELIGIBLE EMISSIONS UNITS FOR CORSIA

On 13 March, the International Civil Aviation Organization (ICAO) Council [approved the eligible emissions units](#) for the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA),

The ICAO Council’s decision follows on [recommendations](#) it received from the Technical Advisory Body (TAB) it set up for this purpose, and establishes a set of eligible emissions units complying with offsetting requirements in the 2021-2023 pilot phase of CORSIA from the following six programmes:

- American Carbon Registry
- China GHG Voluntary Emission Reduction Program
- Clean Development Mechanism
- Climate Action Reserve
- The Gold Standard
- Verified Carbon Standard

The emissions units are issued to activities which commenced as of 1 January 2016, and in respect of emissions reductions occurring through 31 December 2020, subject to each programme’s respective scope of eligibility. The list of eligible emissions units will become publicly available on the ICAO CORSIA website.

Maritime

US SHIPPERS AND FORWARDERS URGE THE ADOPTION OF US FMC INTERPRETIVE RULE ON D&D PRACTICES

On 16 March, a large group of shippers, freight forwarders and other shipping and logistics industry stakeholders sent a [joint letter](#) to the Federal Maritime Commission (FMC), urging it to “expeditiously



adopt” the Interpretive Rule proposed by FMC Commissioner Rebecca Dye in 2019, following the conclusion of an 18-month investigation into demurrage and detention practices in the US.

In the letter, the signatories warned that the outbreak of coronavirus had hit every part in the container supply chain and exacerbated already difficult trading conditions. With the imposition of detention and demurrage charges when equipment cannot be picked up or returned during the free period, for reasons beyond the control of the shipper of the forwarder, the imports are being made more costly for US consumers and manufacturers, the signatories explained.

“Currently, ocean carriers are imposing demurrage fees even when the container is not physically available to be picked up and detention fees when the terminal is not accessible for the container to be returned. With ongoing challenges posed by the coronavirus, there is real concern about these fees being assessed when there are equipment issues beyond the control of the shipper,” the signatories warned, concluding that “these fees appear to be punitive measures by the ocean carriers, not an incentive to expedite container flow.”

To note, through the proposed [Interpretive Rule](#), the FMC provides guidance under the Shipping Act on what it will consider to be fair and reasonable practices for ocean carriers and terminal operators to assess demurrage and detention fees on shippers and freight forwarders.

IMO ADDRESSES THE COVID-19 IMPACT ON SHIPPING

On 19 March, IMO Secretary-General Kitack Lim issued the press statement addressing the effect of the coronavirus pandemic on the shipping industry and the global supply chain.

“To slow the spread of the coronavirus and mitigate its impacts, travel is being curtailed and borders are being closed. Transport hubs are being affected. Ports are being closed and ships denied entry,” Mr Lim explained. “In these difficult times, the ability for shipping services and seafarers to deliver vital goods, including medical supplies and foodstuffs, will be central to responding to, and eventually overcoming, this pandemic,” he said, adding that “it is therefore crucially important that the flow of commerce by sea should not be unnecessarily disrupted.”

One of the goals of the IMO, as stated in its Convention, is to ensure availability of shipping services to the commerce of the world. Mr Lim has therefore urged all IMO Member States to bear this in mind when framing their policy decisions with regard to the coronavirus. “Defeating the virus must be the first priority, but global trade, in a safe, secure and environmentally friendly manner must be able to continue, too,” he said.

Source: [IMO](#)

Brexit

COMMISSION PUBLISHES DRAFT AGREEMENT

On 18 March, the European Commission published a [draft legal agreement for the future EU-UK partnership](#). It translates into a legal text [the negotiating directives](#) approved by Member States in the General Affairs Council on 25 February 2020, in line with [the Political Declaration](#) agreed between the



EU and the UK in October 2019. The legal text follows consultations with the European Parliament and Council and aims to provide a tool to support the negotiations and to enable progress with the UK.

The draft text covers all areas of the negotiations, including trade and economic cooperation, law enforcement and judicial cooperation in criminal matters, participation in Union programmes and other thematic areas of cooperation. A dedicated chapter on governance provides an outline for an overarching framework covering all areas of economic and security cooperation.

The COVID-19 crisis led to the cancellation of the negotiating round scheduled this week in London. The EU and the UK negotiators are currently exploring alternative ways to continue discussions, including if possible, the use of video conferences. Both sides remain in close contact with one another. Substantive work on the legal texts on both sides will continue over the coming weeks.

Source: [European Commission](#)

Customs & Trade

EU LIMITS EXPORTS OF MEDICAL EQUIPMENT

On 15 March, the European Commission published an [Implementing Regulation](#) imposing an EU-wide export ban of personal protective equipment (PPE), by requiring that exports of such equipment outside of the EU are subject to an export authorisation by Member States. The measures come as part of the Commission's continuing efforts to protect citizens and to coordinate the response to COVID-19, aiming to ensure adequacy of supply in the Union of medical equipment to meet the vital demand. The export ban entered into force immediately. It will be valid for a six-week period, during which Member States will be consulted on the potential adaptations and scope of the current measure and future steps.

The Personal Protective Equipment (PPE) that is concerned is detailed in Annex 1 of the Implementing Regulation and includes equipment such as masks, protective spectacles and visors, face shields, mouth-nose protection and protective garments. Exports of certain quantities of specific products may be authorised under specific circumstances such as to ensure assistance provided to third countries and depending on the needs of the Member States. The administrative modalities for these authorisations should be left to the discretion of the Member States during the time of these temporary measures.

The Commission notes that the production of personal protective equipment such as mouth protection masks in the Union is currently concentrated in a limited number of Member States. Despite the fact that increased production has been encouraged, the current level of Union production and existing stocks will not be sufficient to meet the demand within the Union. "We need to protect our health workers, who are in the first line of defence against the virus", said Commission President von der Leyen in a [video message](#).

Source: [European Commission](#)



CONTINUITY OF EU TRADE DEFENCE PROCEDURES

On 13 March, the European Commission announced the implementation of [adaptation measures](#) for handling of trade defence investigations. The measures aim to make sure that economic damages for European companies related to unfair trade remain adequately addressed in the times of COVID-19 outbreak.

The Commission finds that the safety measures applied due to the threat of COVID-19 transmission may impact trade defence investigations in two main ways: (1) on spot verifications, and (2) deadlines within which interested parties have to respond to Commission's information requests. The measures therefore include relying to a stronger extent on written submissions and granting, when justified, some additional flexibility to companies as regards relevant deadlines for submission of information. The Commission calls for utmost cooperation from interested parties, in particular in providing information which is sufficiently detailed, can be crosschecked from independent and verifiable sources and is fully and properly certified.

This approach to verification visits and extensions of timelines will apply until the areas affected by COVID-19 have been deemed safe to travel or there are no restrictive prevention measures applying to parties located in those areas or otherwise affected by the measures linked to COVID-19. Although the Commission will monitor the developments in this situation closely, interested parties are also requested to inform the Commission of any change which may improve the verification process as well as the submission of information.

Source: [European Commission](#)

THE GLOBAL CUSTOMS COMMUNITY MOBILIZES EFFORTS TO MITIGATE THE IMPACT OF COVID-19

On 20 March, the WCO Secretariat published a [dedicated webpage](#) to update WCO Members and the general public about WCO's tools, instruments, recommendations, as well as an [HS Classification reference document for COVID-19 medical supplies](#), that can be utilized in the efforts to address the various COVID-19-related challenges faced by WCO Members and their stakeholders worldwide. The dedicated webpage will be updated regularly with further guidance material and WCO Members' best practices.

WCO Secretary General Dr. Kunio Mikuriya also communicated with all WCO Members to provide guidance and extended a request for strong coordinated action during these challenging times. "During this time of crisis, the global Customs community is invited to continue advocating for and realize the facilitation of not just relief supplies but of all goods being traded in order to minimize the impact of the COVID-19 pandemic," said Dr. Mikuriya. He further added that "We are witnessing an unprecedented situation, but I am confident that by acting together, in a spirit of solidarity, we can mitigate the effects of the COVID-19 pandemic on our societies and economies."

The WCO pledged to continue to proactively communicate with its Members and partners, not only on measures to facilitate the movement of relief consignments, but on action to safeguard supply chain continuity.

Source: [World Customs Organization](#)



General

EU COHESION INVESTMENTS OVER €1.4 BILLION IN 7 MEMBER STATES

On 17 March, the European Commission approved an investment package worth more than €1.4 billion of EU funds in 14 large infrastructure projects in 7 Member States, namely Croatia, Czechia, Hungary, Poland, Portugal, Romania and Spain. The projects cover several key areas, including transport for a smarter, low-carbon Europe.

As part of this, the European Regional Development Fund will invest €265 million to improve over 178km of the rail connection in the 715km Madrid-Lisbon high-speed line, and especially in the Extremadura area. This shall benefit long distance good and passengers' transport with positive economic and environmental benefits. This project is part of the TEN-T network's Atlantic Corridor connecting South West Europe to the rest of the EU.

Source: [European Commission](#)

Forthcoming Events

CLECAT MEETINGS

CLECAT Road Logistics Institute

25 March 2020, **Online Meeting**

CLECAT Maritime Logistics Institute

23 April 2020, **Online Meeting**

CLECAT Customs and Indirect Taxation Institute

27-28 April 2020, Brussels

EVENTS WITH CLECAT PARTICIPATION

TEN-T Days

13-15 May 2020, Sibenik

EP/COUNCIL MEETINGS

Extraordinary European Parliament Plenary

26 March 2020, Brussels

European Parliament TRAN Committee

21 April 2020, Brussels



EU Transport Council

4 June 2020, Brussels

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