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## News from Brussels

### BELGIUM TO CHALLENGE NEW MP1 CABOTAGE RULES IN COURT



The Flemish Minister of Mobility Lydia Peeters has [announced](#) today that Belgium will be joining a lawsuit previously filed by Malta against the new road transport rules in the EU, adopted as part of the Mobility Package I in July 2020.

The main stumbling block for Belgium in the Mobility Package I legislation is the new cabotage rules, which are supposed to take effect from February 2022.

According to the current rules, hauliers are allowed to carry out a maximum of three cabotage journeys in another Member State in a seven-day period. Then they have to leave the country. Under the new legislation, a 'cooling-off' period of four days will apply for cabotage operations. This means that after three cabotage journeys, hauliers will be no longer allowed to make another journey in the same Member State for four days. This is bad news for Belgian hauliers who often drive to France. About 10% of Belgian hauliers travel to and from France on a daily basis, meaning that they would lose a lot of time because of the four-day rule. The scheme does not apply to the Benelux countries of the Netherlands and Luxembourg.

Belgium will therefore challenge the cabotage rules before the European Court of Justice joining a Maltese appeal. "This new [cabotage] rule restricts access to important markets in our neighbouring countries," said Ms Peeters, adding that "this can undermine the earnings model of Belgian and Flemish transport companies. Because our road hauliers can still carry out cabotage operations on the way back from an international transport, the transport sector is still viable. Otherwise, the Belgian market is too small to absorb the expected loss of journeys."

## EC EXPERT GROUP ON THE POSTING OF DRIVERS

DG MOVE issued this week a [call for applications](#) for the selection of members of the newly established European Commission's Expert Group on the Posting of Drivers, with a deadline of 5 April 2021.

The objective of the group will be to ensure a harmonised understanding of the new EU rules on the posting of drivers in road transport, adopted as part of the Mobility Package I and set to be applicable from 2 February 2022, and promote a common approach to their implementation among the enforcement authorities across the EU. To that end, the group will facilitate a regular exchange and examination of cases where differences in the understanding, application and enforcement of the provisions on the posting of drivers arise.

CLECAT has brought the call to the attention of its Road Institute members and will consider being represented as a Type C member.

## 'A RACE AGAINST TIME: THE SIGNIFICANT ROLE OF ALTERNATIVE FUELS INFRASTRUCTURE'



### European Logistics Platform

The European Logistics Platform organises a webinar on the 8<sup>th</sup> of March entitled 'A race against time: The significant role of alternative fuels infrastructure'.

In the light of the upcoming review of the Alternative Fuels Infrastructure Directive (AFID) and its instrumental role in reaching the EU's 2030 decarbonisation objectives, the members of the ELP will demonstrate what role cleaner fuels play in their business and what obstacles need to be removed in order to ensure that sufficient infrastructure is in place in line with efforts to reduce emissions in the transport sector.

The webinar will provide the opportunity to discuss with policy makers and stakeholders the necessary requirements to support the uptake of alternative fuels and how to accelerate the deployment of the respective infrastructure across the EU.

Last minute registration is still possible at the [ELP Website](#).

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## Maritime

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### OCEAN FREIGHT SPOT RATES STAY CLOSE TO RECORD HIGHS

The Lloyd's Loading List has reported today that ocean freight spot rates have remained close to record highs on the main east-west trades, defying the normal annual pattern of falling in the weeks after Chinese New Year, with the cargo backlogs, port congestion, equipment shortages and sustained high volumes keeping prices high.

In its latest freight rate assessments on eight major East-West trades, Drewry's composite World Container index decreased this week by 2.2% or \$117 to stand at \$5,121 per 40ft container – still more than three times its level (+232.6%) a year ago, despite slight falls on most of the main lanes. The



average composite index of the WCI, assessed by Drewry for year-to-date, is \$5,231 per 40ft container, which is \$3,539 higher than the five-year average of \$1,692 per 40ft container.

Freight rates on Shanghai-Rotterdam weakened this week by 3% or \$286 to reach \$8,188 for a 40ft box, but remain more than four times their level a year ago. Rates from Shanghai to Genoa fell 1% or \$106 to \$8,505 for a 40ft container. Also, rates on Rotterdam-Shanghai slipped \$16 to \$1,402 for a 40ft box. Drewry expects rates to stabilise in the next week.

The latest Shanghai Containerised Freight Index (SCFI) shows spot rates for China-Northern Europe at \$3,966 per 20ft unit, representing a 3.5% fall against its pre-Chinese New Year level, according to Lloyd's List. The SCFI shows a 1% increase on the headhaul China-US west coast trade during this four-week period to \$4,078 per feu, and a marginal uptick of 0.2% on the China-US east coast route to \$4,808 per feu.

Source: [Lloyd's Loading List](#)

## SHIP SCHEDULE RELIABILITY TOPS LOWEST RECORD IN JANUARY

Global schedule reliability dropped to below 35% in January 2021 – barely half its level last year – according to Sea Intelligence's latest Global Liner Performance (GLP) report, with January becoming the sixth consecutive month of double-digit year-on-year decline in vessel performance.



Compared to January 2020, schedule reliability is -33.5 percentage points lower, and it is the sixth consecutive month that we have recorded a double-digit year-on-year (Y/Y) decline, Sea-Intelligence highlighted. Its report, which covers schedule reliability across 34 different trades lanes and 60+ carriers, also highlighted a similar trend with the average delay for late vessel arrivals, which has recorded consecutive month-on-month (M/M) increases for the past five months, reaching 6.42 days in January.

In January 2021, Hamburg Süd was the most reliable carrier with 46.5% schedule reliability, with Maersk following close behind, although their reliability performance had slipped from 79% and 76%, respectively, the previous January. None of the carriers recorded a M/M or a Y/Y improvement in schedule reliability.

Source: [Sea Intelligence](#)

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## Brexit

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### EXTENSION OF EU-UK TCA PROVISIONAL APPLICATION

Last week, the EU-UK Partnership Council, the governance body established under the EU-UK TCA, [decided](#) to extend the provisional application of the agreement until 30 April 2021. The request for extension was made by the EU because it needs more time complete the ratification process. The EU-UK TCA was provisionally applied as of 1 January, pending the ratification by the EU. The agreement



provided for a time-limited provisional application until 28 February, unless a later date was agreed by the parties.

Once the European Parliament completes the scrutiny of the trade deal and gives its consent, and once all 24 language versions of the agreement are completed, the Council of the EU will adopt a decision on the conclusion of the agreement, and it will officially enter into force. This will be the last step of the EU ratification process.

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## Customs and Trade

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### LAUNCH OF WCO TRADE TOOLS

The World Customs Organization (WCO) released its new online platform [WCO Trade Tools](#) which compiles information to support international trade actors in the classification of goods and the determination of the corresponding Customs tariffs and taxes. This new database offers a single point of access to the Harmonized System, preferential Rules of Origin and Valuation. The WCO Trade Tools database offers key features including the ability to cross-reference information by using a comparison tool in the Harmonized System (HS) and Rules of Origin; a direct overview of the most recent HS updates, highlighting the changes introduced; and a facility for searching through the Product Specific Rules in more than 200 Free Trade Agreements, and access to the corresponding HS entry.



The new platform will also promote cooperation among the different teams within Customs administrations, as well as with Customs brokers and companies, through various features such as the possibility to tag information, write comments and share folders. It offers the possibility of further enhancing use of the platform; users can search through the extensive databases, as well as organizing and storing the content according to their personal preferences.

Source: [World Customs Organization](#)

### SURVEY ON TWO YEARS OF EU-JAPAN FREE TRADE

On 2 March, the European Commission published a business survey on the second year of implementation of the EU-Japan Economic Partnership Agreement (EPA), from February 2020 to January 2021. The Commission invites EU businesses, business support organisations and other stakeholders to complete a short questionnaire and provide feedback on how they consider the EPA is affecting EU companies. The survey addresses issues that businesses may encounter relating to, among others, customs tariffs and duties, customs procedures, non-tariff barriers and sanitary and phytosanitary requirements.

You can access the Commission's business survey [here](#). It will remain open until 30 April 2021.

Source: [European Commission](#)



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# Air

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## JANUARY AIR CARGO DEMAND RECOVERS TO PRE-COVID LEVELS

The International Air Transport Association (IATA) released data for global air cargo markets for January 2021 showing that air cargo demand returned to pre-COVID levels (January 2019) for the first time since the onset of the crisis. January demand also showed strong month-to-month growth over December 2020 levels.

As comparisons between 2021 and 2020 monthly results are distorted by the extraordinary impact of COVID-19, unless otherwise noted all comparisons to follow are to January 2019 which followed a normal demand pattern. Global demand measured in cargo tonne-kilometres was up 1.1% compared to January 2019 and +3% compared to December 2020.

The recovery in global capacity, measured in available cargo tonne-kilometres was reversed owing to new capacity cuts on the passenger side. Capacity shrank 19.5% compared to January 2019 and fell 5% compared to December 2020, the first monthly decline since April 2020.

All regions saw month-on-month improvement in air cargo demand, and North America and Africa were the strongest performers. European carriers' international cargo demand slipped 0.6% in January compared to same month in 2019. This was an improvement from the 5.6% fall in December 2020 over the year-ago period. International capacity decreased 19.5%, a deterioration from the 18.4% year-to-year decline recorded for December.

Source: [IATA](#)

## ICAO CALLS FOR CLOSER COORDINATION VACCINE DISTRIBUTION

Speaking to European and North Atlantic Directors General of Civil Aviation (DGCAs) recently, ICAO Secretary General Dr. Fang Liu emphasized that while COVID-19 vaccines are now offering hope of a more imminent pandemic recovery globally, closer collaboration and procedural alignment among air transport stakeholders will be needed to get the billions of doses to their destinations safely, securely and rapidly.

“We must continue to reinforce to decision makers that air cargo supply chains are critical to these efforts,” Dr. Liu remarked. “ICAO has published safety and security guidelines for the distribution of COVID-19 vaccines, and we’ve also enacted our Vaccine Action Plan to more efficiently align vaccine efforts with applicable CART guidance and other ICAO provisions related to air cargo.”

Vaccine distribution is consistent with the traditional expectation societies have placed on air freight for the global distribution of many pharmaceuticals, through well-established global procedures. Some COVID vaccines, however, pose exceptional temperature requirements far beyond what aircraft and supply chains were formerly expected to maintain.

“Our latest vaccine planning takes on board economic considerations, as well as the relevant provisions of Annexes 6, 9, 17, 18 and 19 to the Chicago Convention which are relevant to efficient and safe transport of vaccine cargo by air,” Dr. Liu stated. “More will be required, however, including the adaptation of current infrastructure, procedures, and resources.”



Dr. Liu also stressed to her audience how Europe's numerous international borders and varying pandemic requirements make the current cooperation being undertaken by DGCA's through ICAO's EURNAT Office more critical than ever. In that context she recalled ICAO's new guidance on economic and financial measures, designed to help States alleviate the challenges carriers and other stakeholders are facing and maintain essential connectivity.

Source: [ICAO](#)

## EASA AIR OPS RISK REVIEW 2020

On 26 February, the European Aviation Safety Agency (EASA) published its [preliminary safety review for Air Ops in 2020](#). This should be considered in conjunction with the [Review of Aviation Safety Issues Arising from the COVID-19 Pandemic](#).

EASA highlights that prior to the crisis, the safety landscape was stable and known, but we are now faced with a totally new situation where new risks have emerged. These risks include dealing with the rapid storage and de-storage of aircraft, management of wildlife hazards due to the reduced amount of aviation activity, and the degradation of skills and knowledge of aviation personnel caused by the reduction in operations. The rise of cyber-security and other security threats impacting safety has led the Agency to devote significant resources in these areas. An important objective for EASA will be to further work on integrating safety, security and cyber-security risks to ensure a total system risk management approach.

Source: [EASA](#)

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# Supply Chain Security

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## ICAO YEAR OF SECURITY CULTURE

The International Civil Aviation Organisation (ICAO) declared 2021 as the Year of Security Culture (YOSC), with the aim to raise security awareness and promote a positive security culture in aviation operations across the world. The YOSC seeks to encourage and facilitate the enhancement of security behaviours and practices, focusing on the principle that security is everyone's responsibility – from the ground up and top-down.

In order to ensure the success of the YOSC, ICAO will focus on the following priority activities:

- execute a global security culture campaign, which will support the organization of national, regional and global events to raise security awareness in aviation, especially in the light of COVID-19;
- intensify collaboration with States and industry in supporting efforts to promote security culture in the greater aviation community, where security is everyone's responsibility;
- issue relevant guidance on practical security culture communication strategies, plans and campaigns; and
- continue to offer training and assistance focused on promoting an effective and sustainable security culture within all organizations involved in civil aviation.



As part of its efforts, ICAO also publishes the [ICAO Year of Security Culture Newsletter](#), which explains what events and activities ICAO will be delivering in support of (and in collaboration with) States, International and Regional Organizations and Industry to make the year a success. More information is available on [ICAO's website](#).

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## *Forthcoming Events*

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### **CLECAT MEETINGS**

#### **CLECAT Maritime Logistics Institute**

8 March 2021, Online

#### **CLECAT Rail Logistics Institute**

16 March 2021, Online

#### **CLECAT Sustainable Logistics Institute**

17 March 2021, Online

#### **CLECAT Board Meeting**

17 March 2021, Online

#### **CLECAT Customs and Indirect Taxation Institute**

29 March 2021, Online

#### **CLECAT Air Logistics Institute**

8 June 2021, Online

#### **CLECAT Security Institute**

8 June 2021, Online

### **EU MEETINGS**

#### **Council of the European Union**

##### **Transport Council**

3 June 2021, Luxembourg

##### **Environment Council**

18 March 2021, Brussels

21 June 2021, Luxembourg

#### **European Parliament**

##### **European Parliament Transport Committee**

15-16 March 2021, Brussels

23 March 2021, Brussels



## European Parliament Plenary

8-11 March 2021, Brussels

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