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Brussels News

EP DEBATES SUSTAINABLE AND SMART MOBILITY STRATEGY

On 10 May, the Transport and Tourism (TRAN) Committee of the European Parliament held an exchange of views on the [draft own-initiative report](#) on the European Commission's [Sustainable and Smart Mobility Strategy](#) (SSMS). The Rapporteur, Ismail Ertug (S&D, Germany), presented the main elements of his report. He calls on the Commission to aim for higher numbers of zero emission light- and heavy-duty vehicles by 2030 and to propose more stringent CO₂ standards and air-pollutant emissions. The Rapporteur also wants the inclusion of national binding targets in the revision of the Alternative Fuels Infrastructure Directive (AFID). The modal shift of freight transport from road to rail and inland waterways should be more ambitious than the Commission proposed. Mr Ertug welcomes the inclusion of the maritime sector in the EU emissions trading system (ETS) and the planned reduction of allowances allocated for free to the aviation sector. He however rejects the direct inclusion of emissions from road transport in the EU ETS, highlighting that carbon pricing is not the sole way forward to tackle CO₂ emissions from road transport. Finally, he calls for the phasing-out of fossil fuel subsidies by 2022.

During the exchange of views, MEPs mostly welcomed the SSMS and its [Action Plan](#). Although some MEPs expected a more ambitious strategy, especially on the greening of the transport sector, they are looking forward for the presentation of some concrete measures in the 'Fit for 55' package, expected for mid-July. MEPs also recalled the importance of digitalisation in the transport sector and regretted that the social aspects of the green transition of the sector are not sufficiently addressed.

The report will be discussed in a joint committee format, with the TRAN and ENVI committees. MEPs will discuss their amendments on 16-17 June and adopt their report in July. The vote in Plenary is expected in September 2021.

ITF SUMMIT: RESHAPING MOBILITY IN THE WAKE OF COVID-19

CLECAT will join the International Transport Forum's 2021 Summit on ***Transport Innovation for Sustainable Development: Reshaping Mobility in the Wake of Covid-19***, which will be held under the Presidency of Ireland from 17 to 28 May 2021, in a virtual format.

The ITF Annual Summit is the leading global platform for discussion on the future of transport. It gathers ministers from 62 ITF member countries and beyond to engage with decision-makers from industry, civil society and academia on the trends shaping mobility in the 21st century. The ITF Summit is a key moment for the international transport community to discuss global challenges related to transport and mobility. Now more than ever, it is imperative that all stakeholders come together to explore possible avenues across policy, technology and business to tackle the effects of the COVID-19 crisis on transport.

The 2021 Summit debates will focus on opportunities this crisis provides to harness innovation in the sector to help reshape transport for a safer, more inclusive and sustainable pathway to the future. More information about the Summit programme is available at: <https://www.2021.itf-oecd.org/>

Maritime

TIME FOR EFFECTIVE COMPETITION POLICY FOR LINER SHIPPING

At the end of March, CLECAT and other maritime stakeholders including shippers, terminal operators, and inland waterway representatives, voiced concern on the continued disruption in the maritime logistics supply chain with ongoing unreliability and peaking prices. During the 'Maritime Forum', organised by the competition and transport directorates of the European Commission, gathering maritime stakeholders - shippers, freight forwarders, carriers, port operators, and container carriers - developments in the container shipping sector and possible ways forward were discussed. But the Commission remained in a 'listening mode.'

Today, we wonder whether it would be unreasonable to expect the Commission to start a serious investigation, and to step out of their observing role. CLECAT welcomed the Commission's Maritime Forum initiative, as it is vital that competition and transport authorities engage with the market to monitor the consequences of the special privileges they have granted to the shipping industry, especially during times of unprecedented market turbulence. But we continue to question why it is taking the Commission so long to assess the situation, fearing to lose momentum whilst carriers continue to fine-tune their in-depth capacity management and price discipline. Maersk Group reported the strongest quarterly profit in its history, with earnings driven upwards by strong demand across the ocean freight division and capacity shortages. Overall, container carrier profits are peaking as never before.

Meanwhile carriers are continuing to lobby high-level authorities at national and international level to maintain their special status. This may not come as a surprise because there are three important distortions which are caused predominantly by the fact that the major liner companies have integrated other activities in their service offering, including freight forwarding and intermodal transport (also called 'vertical integration').

You can read the full blog [here](#).



CONTAINER FREIGHT RATES STILL RISING TO NEW RECORDS



Ocean freight spot rates rose further again this week from their already record-high levels. According to Drewry's World Container Index, spot prices to ship a 40-foot container from Shanghai to Rotterdam surged another 7% or \$605 this week to \$8,976 – more than six times their level last year, and those on Shanghai-Genoa rose \$411 to \$8,943 for a 40-foot box, more than five times their level in the same period of 2020.

Lloyds Loading List reported today that some shippers have been paying as much as \$18,000 per feu for urgent shipments from Asia to Northern Europe, “with average slot utilisation rate ex-Shanghai about 100% and most vessels over booked”, meaning cargo owners with urgent cargo had to bid for limited space resources due to the pressure of the delivery period. The latest rates update today from digital freight marketplace Freightos highlights that non-stop demand for ocean freight and the resulting delays and equipment shortages “pushed spot rates to new heights across major trade lanes once again this week”. But it also noted that “with nearly 40% of containers getting rolled, many shippers are paying significantly more in premiums in the hopes of securing space”.

According to Freightos' FBX rates index – based on current rates being used by global logistics providers for the week leading up to Tuesday each week – prices out of Asia to the US increased this week by more than 13% and to new highs to both coasts, and Europe-North America rates spiked another 23% to \$4,299/FEU, “nearly double their level just six weeks ago.”

The exceptionally high freight rates on the Asia-Europe routes also seems to have spread to Transatlantic routes: according to analyst firm Alphaliner, freight rates between Northern Europe and the US East Coast have risen by more than a third, surpassing \$3,600 for a forty-foot container. According to Shipping Watch, carriers have moved capacity from the Transatlantic routes to the Transpacific and Far East routes, where rapidly growing volumes of goods in the wake of the COVID-19 pandemic have made shipping extremely lucrative. However, the freight volume growth on the Transatlantic routes is relatively small, by 1.4% compared to May 2020.

Source: [Drewry](#), [ShippingWatch](#), [Lloyds' Loading List](#)

Rail

CONNECTING EUROPE EXPRESS TIMETABLE ANNOUNCED

On 9 May, the European Commission announced the route and timetable of [the Connecting Europe Express](#), an initiative forming part of the [European Year of Rail 2021](#), aimed at demonstrating the power of rail to connect people and businesses, and the importance of EU infrastructure policy in making this possible. Beginning its journey on 2 September in Lisbon and stopping in more than 70 cities in 26 countries, the train will link the Portuguese, Slovenian and French Presidencies of the Council of the EU, arriving in Paris on 7 October.





The project involves cooperation from the European Commission, European rail operators, infrastructure managers and numerous other partners at EU and local level. At each of the stops, events and other activities, adapted to local COVID-19 measures, shall demonstrate the key role that rail plays for our society, but also on the challenges that rail must still overcome to attract more passengers and freight. As a reminder of the lack of interoperability between some parts of Europe's rail network, the Connecting Europe Express will comprise, in reality, three different trains that fit the different gauges used in Europe. You can have a look at the [main stops](#) or at the full map of the route [here](#).

Source: [European Commission](#)

Air

EC APPROVES AID MEASURE TO ALITALIA

On 12 May, the European Commission found that an Italian aid measure of €12.835 million to support Alitalia is in line with EU State aid rules. This measure aims at compensating the airline for the damages suffered on certain routes due to the coronavirus outbreak during the month of January 2021.

Italy notified to the Commission an additional aid measure to compensate Alitalia for further damages suffered on certain specific routes from 1 to 31 January 2021 due to the emergency measures and travel restrictions necessary to limit the spread of the virus. The support will take the form of a €12.835 million direct grant, which corresponds to the estimated damage directly caused to the airline in that period according to a route-by-route analysis of the eligible routes. This follows the Commission decisions of [26 March 2021](#), [29 December 2020](#) and [4 September 2020](#) approving Italian damage



compensation measures in favour of Alitalia, compensating the airline for the damages suffered from 1 November to 31 December 2020, 16 June to 31 October 2020 and 1 March to 15 June respectively. The total amount of damage compensation aid in favour of Alitalia that has been notified by Italy and approved by the Commission is now of more than €310 million.

The Commission found that the Italian measure will compensate for damages suffered by Alitalia which are directly linked to the coronavirus outbreak, as the loss of profitability on certain routes as a result of the containment measures during the relevant period can be considered as damage directly linked to the exceptional occurrence.

Source: [European Commission](#)



Customs and Trade

EU ADOPTS NEW DUAL-USE REGULATION

Earlier this week, the EU Council adopted a [Regulation](#) modernising the EU system for the control of exports, brokering, technical assistance, transit and transfer of dual-use items, such as software and technology that can be used for both civilian and military applications.

The new Regulation strengthens controls on a wider range of emerging dual-use technologies, and the coordination between Member States and the Commission in support of the effective enforcement of controls throughout the EU. By introducing due diligence obligations for producers, the new rules also give companies an important role in addressing the risks to international security sometimes posed by dual-use items. The new dual-use regulation paves the way for better coordination between the EU and partner countries in enhancing international security through more convergent approaches to export controls at global level.

After the European Parliament and the Council sign the adopted regulation, it will be published in the EU Official Journal and enter into force 90 days later.

Source: [Council of the EU](#)

Sustainable Logistics

NGO'S CALL FOR SUSTAINABLE FUELS IN AVIATION & MARITIME

On 12 May, 17 green organisations, including Transport & Environment (T&E) sent an [open letter](#) to the European Commission to call for an ambitious deployment of sustainable alternative fuels in aviation and shipping. In the light of the related upcoming initiatives that will be presented under the 'Fit for 55' package mid-July, the signatories want to explicitly exclude biofuels and fossil natural gas from the scope of the FuelEU Maritime initiative and crop-based biofuels from the ReFuelEU Aviation. They instead call on the EU to focus on green electro-fuels produced from additional renewable electricity and whenever CO₂ is required, direct air capture.



Promoting e-fuels can drive investment and create employment in areas such as hydrogen production, European shipbuilding and technology manufacturing, as well as energy transport infrastructure and R&D, the letter states. The NGOs cites a [report](#) to show that Europe's renewable electricity potential is sufficient to meet demand from ships and planes, but the Commission should make the right policy decisions in 2021 to incentivise the uptake of these green fuels.



EUROPEAN COMMISSION UNVEILS ITS PLAN FOR ZERO POLLUTION

On 12 May, the European Commission adopted the [EU Action Plan: “Towards Zero Pollution for Air, Water and Soil.”](#) The communication together with a [list of actions](#) sets out a vision for 2050, with the aim to reduce pollution to levels no longer harmful to human health and natural ecosystems. The Plan outlines a number of flagship initiatives and actions for most polluting sectors, including transport.

As announced in the SSMS, the Commission recalled its goal to reduce drastically air and noise pollution from transport. This would be addressed in 2021 through the upcoming EURO 7 standards for road vehicles and improved emissions testing in roadworthiness checks, in synergy with CO₂ emission performance standards. Based on latest evidence, it will consider the need to limit the emissions of PM_{2.5} and nanoparticles from all types of combustion engines and from brakes in conventional and electric vehicles alike, together with the need to reduce pollutant emissions under a broader set of conditions of use and over the lifetime of vehicles.

The Plan sets the target to reduce by 30% the share of people chronically disturbed by transport noise by 2030. Therefore, the Commission will focus on better tackling noise at source, notably by securing proper implementation on the ground and, where appropriate, improving the EU noise-related regulatory framework on tyres, road vehicles, railways, and aircrafts as from 2021. In the accompanying [Staff Working Document](#), the European Commission recognises the key role of digitalisation in modernising the transport system. Several solutions are presented, such as intelligent traffic lights systems or smart electricity grids that would help reduce air and noise pollution.

Source: [European Commission](#)

Security

€11 MILLION EU FUNDING TO STRENGTHEN CYBERSECURITY

On 10 May, the European Commission announced that it will make €11 million of funding available for 22 new projects seeking to strengthen the European Union's capacity to deter and mitigate cyber-threats and incidents, by employing the latest technologies. The projects, which have been selected following the [2020 CEF Telecom Cybersecurity call for proposals](#) under the [Connecting Europe Facility](#) programme, will support various cybersecurity organisations in 18 Member States.

The beneficiaries of the funding include Computer Security Incident Response teams, operators of essential services in the health, energy, transport and other sectors, as well as bodies dealing with the [cybersecurity certification](#) and testing, as defined in the [EU Cybersecurity Act](#). They will start working after the summer on tools and skills necessary to comply with the requirements set by the [NIS Directive](#) and the Cybersecurity Act, while at the same time engaging in activities aimed to enhance cooperation at the EU level. Furthermore, over €1 billion under the [Digital Europe Programme](#) will be directed towards the areas of focus of the new [EU Cybersecurity Strategy](#). More information is available [here](#). More information about Europe's actions to strengthen cybersecurity capacities is available [here](#) and EU-funded cybersecurity projects can be found [here](#).

Source: [European Commission](#)



Forthcoming Events

CLECAT MEETINGS

CLECAT Customs and Indirect Taxation Institute

31 May 2021, Online

CLECAT Air Logistics Institute

8 June 2021, Online

CLECAT Security Institute

8 June 2021, Online

CLECAT Board

22 June 2021, Online

CLECAT General Assembly

22 June 2021, Online

CLECAT Rail Logistics Institute

23 June 2021, Online

CLECAT Road Logistics Institute

7 July 2021, Online

EU MEETINGS

Council of the European Union

Transport Council

3 June 2021, Luxembourg

Environment Council

21 June 2021, Luxembourg

European Parliament

European Parliament Transport Committee

25 May 2021, Brussels

16-17 June 2021, Brussels

European Parliament Plenary

17 May 2021, Brussels



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