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Brussels news

FREIGHT FORWARDERS FORUM 2018 – REGISTRATION OPEN

CLECAT's annual Freight Forwarders Forum entitled **"Customs, Trade and Skills – What's the deal?"** will take place on the 15th November at the WCO in Brussels.



The customs and trade landscape as we have known it in recent decades is changing drastically. For many years, initiatives breaking down trade barriers through the expansion of the EU were successful, reducing duties and simplifying border procedures. Today, increasing political and social issues across the globe are reversing these efforts. Trade conflicts, Brexit, tax evasion, immigration, terrorism and threats to consumers and the environment are all realities that the European Union must face. Finding the balance between protecting society and facilitating compliant trade has become increasingly difficult.

The Forum will discuss these questions and give first hand insights from the European Commission, WCO and industry experts. Capitalise on this unique opportunity to learn about changes in trade and customs and the impact they will have on your sector.

More information is available at the [CLECAT conference webpage](#). The outline of the programme is available [here](#). The conference is free to register and attend. If you are interested to join, please register [here](#).

5Y ELP EVENT: LAST MILE TO THE NEXT EUROPEAN ELECTIONS



**European
Logistics
Platform**

The [European Logistics Platform](#) organises an after-Summer Cocktail Reception to celebrate its 5-Year Anniversary on the 5th September in the European Parliament in Brussels. A panel of speakers including amongst others Henrik Hololei, Director General of DG MOVE and Thierry Vanelslander Professor Logistics, University of Antwerp will discuss what has been achieved and what lies ahead of us in the upcoming months prior to the European Parliament elections in May 2019.

5 years ago the European Logistics Platform was created to bring together policy makers and industry stakeholders to collectively tackle the challenges of the logistics sector. Through the organisation of many debates in-and outside of the European Parliament, but always with the support of the MEPs of the [ELP Advisory Board](#), a better understanding of logistics and of its importance for the growth and competitiveness of the EU has been promoted.

Trade, digitalisation, climate change, innovation, employment, investments: all of this has been on the table in open debates. Bearing in mind these subjects, with less than a year to go before the European elections, the European Parliament has the chance to conclude its reports to the benefit of all involved in logistics in Europe.

To register please send an e-mail to info@europeanlogisticsplatform.eu or register [HERE](#).

TRAN/ITRE DRAFT REPORT ON CEF PROPOSAL

The TRAN Committee will meet after the European Parliament's Summer break on the 29th August in a joint committee meeting with the ITRE Committee to discuss the Committees' [draft report](#) on the CEF proposal by Rapporteurs Marinescu (EPP), Telička (ALDE) and Virkkunen (EPP). The meeting will be webstreamed (link [here](#)).

The rapporteurs overall welcome the Commission's proposal to renew the CEF for the next multi-annual financing period of 2021-2027 with €42.265 billion, of which €30.615 billion is designated for the transport sector.

CLECAT welcomes the Commission's CEF 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.



Rail

PREDICTED GROWTH OF GLOBAL RAIL FREIGHT VOLUME

According to a study conducted by the Dutch research institute Panteia, global rail freight volumes will rise by 2.8% this year, which would account for an additional 1.3 million tonnes. For 2019, growth of 2.1% is predicted. Freight movement is in the lift, and the rail sector is likely to grow along, they predict.

Panteia predicts a growth with 3.3 per cent for the total volume of freight transported in 2018. In 2019 growth will continue but at a slower pace, with 2.3 per cent. The prediction is based on the blooming national and international economies. The pace of these growing economies is likely to slow down in 2019. Import tariffs issued by the US and rising oil prices are factors negatively influencing the growth of freight volumes.

The predicted rise in volumes varies according to the modalities, with the road sector expected to witness the highest growth rates; 3.8 per cent in 2018 and 2.7 per cent in 2019. The road sector is much less affected by the energy transition in Germany than rail and barge, Panteia claimed. The rail and barge sectors rely on rising volumes of products other than coal to influence the overall growth rate; the decline in coal transports negatively affects these numbers. The expected growth of barge volumes is 0.6 per cent in 2018 and 0.3 per cent in 2019.

GROUNDWORK FOR LONGER TRAINS

As a result of Shift2Rail's Dynafreight project (Innovative Technical Solution for Improved Train Dynamics and Operation of Longer Freight Trains) the groundwork for regular operations of long freight trains up to 1500m in Europe has been created. The goal of the project is the provision of necessary inputs for the development of the next railway freight propulsion concepts within Shift2Rail. Thereby it contributes to overcoming the problems of operational and technical nature which have been negatively affecting the overall capacity, performance and competitiveness of the EU rail freight industry. The project's results will be the basis for future Shift2Rail projects on freight transport within the framework of Innovation Programme 5 regarding Technologies for Sustainable and Attractive European Rail Freight.

Source: [Railfreight](#)

IRG-RAIL FORUM ON RFC DEVELOPMENTS

CLECAT has been invited to take part in IRG-Rail's second annual forum regarding quality on the Rail Freight Corridors (RFCs), which will take place on 27 September in The Hague, Netherlands. The forum will discuss the coordination of regulatory activities within the RFCs, as well as the performance figures of RFCs, based on the KPIs, and the management of disruptions based on the new handbook of contingency management. The afternoon panel session will discuss the expectations of stakeholders on the 11 sector priorities, as well as ways to improve market share and quality.

More information on the IRG-RAIL can be found [here](#).



Sustainable Logistics

CITY OF LONDON CONSIDERS ULTRA LOW EMISSION STREETS

Due to increased NOx levels caused by traffic, various cities in the UK are introducing Clean Air Zones. As reported by CLECAT in Newsletter 2018/27, starting 8 April 2019, the Low-Emission Zone in London's city centre will be replaced by a stricter [Ultra Low Emission Zone \(ULEZ\)](#).

However, according to Ruth Calderwood, air quality manager for the City of London, the ULEZ will not be enough to meet the limit values on the busiest roads of the city centre. Therefore, the City of London is considering the introduction of an ultra low emission vehicle street that would allow only electric vehicles and plug-in hybrids on parts of the Square Mile, London's main financial district. Furthermore, according to the Times, the councils of Hackney and Islington will introduce such measures on nine streets starting September 3rd.

Source: [Financial Times](#), [The Times](#)

Brexit Update

BREXIT NEGOTIATIONS

On 21 and 22 August another round of the Brexit negotiations took place between the EU and the UK. The negotiations continued on the remaining issues of the withdrawal agreement, where the main topic is still the Ireland and Northern-Ireland, and the future relationship.

Following the negotiations, Michel Barnier, Chief negotiator of the EU, said: *"We can find common ground based on the EU principles on the one hand and, on the other hand, the choices made by the UK. As I said in July, we are more, far more advanced in defining that common ground for foreign policy and security than for the economic relationship. Our challenge for the coming weeks is to try and define an ambitious partnership between the UK and the EU. A partnership that has no precedent. This partnership has to respect the single market and the foundations of the European project. If this is well understood, we can conclude the negotiations successfully."*

Dominic Raab, the chief negotiator of the UK was somewhat more positive, although the UK at same time started preparing for a no deal situation. On 23 August he said: *"I am still confident that getting a good deal is, by far, the most likely outcome. The vast majority, roughly 80%, of the Withdrawal Agreement has now been agreed, and we are making further progress on those outstanding separation issues. Now, on the basis that nothing is agreed until everything is agreed, we have agreed the financial settlement. And we have also agreed the terms of an implementation period, to give businesses the clarity and a sensible lead time to adjust to the changes that Brexit will bring, whilst also making sure people can feel confident that there is some finality to the whole process of leaving the EU. On Tuesday, we made progress on those outstanding separation issues. If, as I expect, the EU responds with the same level of ambition and pragmatism, we will strike a strong deal that benefits both sides."*



The negotiations are now entering the final stage. The EU and UK agreed that they will negotiate continuously from now on and they will meet regularly to take stock and move the negotiations forward.

Sources: [European Commission](#), [UK Government](#)

UK GOVERNMENT'S PREPARATIONS FOR A 'NO DEAL' SCENARIO

As announced by the Prime Minister and Secretary of State for Exiting the European Union on 18 July 2018, the UK government will be publishing a series of technical notices during August and September. On the 23rd of August, the [first 25 of these notices](#) were published. The notices set out information to allow businesses and citizens to understand what they would need to do in a 'no deal' scenario, so they can make informed plans and preparations.

According to the UK government, a scenario in which the UK leaves the EU without agreement (a 'no deal' scenario) remains unlikely given the mutual interests of the UK and the EU in securing a negotiated outcome. However, the UK government sees it as its duty to prepare for all eventualities, including 'no deal', until it can be certain of the outcome of those negotiations. A 'no deal' scenario is one where the UK leaves the EU and becomes a third country on 29 March 2019 without a Withdrawal Agreement and framework for a future relationship in place between the UK and the EU.

For two years the UK government has been implementing a programme of work to prepare for all scenarios. At the 2017 Autumn Budget, HM Treasury made £3 billion of funding available (£1.5 billion in 17/18 and £1.5 billion in 18/19) so that departments and the devolved administrations could prepare effectively for Brexit. This was in addition to £700 million previously made available for preparations over the course of the last two years. There has also been progress in putting in place the staffing, infrastructure and policy for a 'no deal' scenario. For example, it ensured there are over 7000 civil servants currently working on exit, and Treasury has approved funding for around 9000 more - including nearly 6500 operational staff. Border Force is recruiting 300 frontline officers to provide resilience and readiness ahead of Brexit and is separately recruiting up to a further 1000 staff to ensure flexibility for all scenarios and sufficient resources for existing operations. The UK has also procured or developed a number of new systems to build everything from a new market surveillance system to improving the capabilities of our Export Health Certificates system.

It is only at the point that the UK Parliament has ratified the deal and the EU Council has obtained the European Parliament's consent and adopted the decision to conclude the agreement, that it can be certain that the UK will not enter a 'no deal' scenario in March 2019. Preparations for a 'no deal' scenario must therefore continue. Despite the preparations for a no deal scenario, the UK keeps emphasising that people and businesses should not be alarmed by 'no deal' planning and preparation, nor read into it any pessimism. According to the UK, instead they should be reassured that the UK government is taking a responsible approach, ensuring the UK's exit can be as smooth as possible in all scenarios.

The EU has already, throughout the past year, published about 60 similar preparedness notices. These notices can be found on the [EU Commission's Brexit Preparedness website](#)

Source: [UK Government](#)

NO-DEAL PREPAREDNESS NOTICES ON CUSTOMS EXCISE

Some of the main notices of the UK for a no-deal scenario concern Customs and Excise matters. The purpose of these notices is to inform businesses of the implications for the trade in goods between



the UK and EU and the actions they may want to now consider taking to mitigate the potential impacts in the event that the UK leaves the EU on 29 March 2019 with no agreement in place.

According to the UK, businesses should consider how a 'no deal' scenario could affect them and should begin taking steps to mitigate against such a risk. Actions the UK government advises businesses can take to prepare include for example:

- To take account of the volume of their trade with the EU and any potential supply chain impacts such as engaging with the other businesses in the supply chain to ensure that the necessary planning is taking place at all levels
- businesses should consider the impact on their role in supply chains with EU partners.
- if necessary, put steps in place to renegotiate commercial terms to reflect any changes in customs procedures, and any new tariffs that may apply to UK-EU trade.
- And especially consider how they will submit customs declarations for EU trade in a 'no deal' scenario, including whether they should engage the services of a customs broker, freight forwarder or logistics provider to help, or alternatively secure the appropriate software and authorisations.

These actions are very important for all parties in the supply chain, regardless whether you are an importer, exporter, carrier, terminal, (air)port or freight forwarder. Therefore, CLECAT advises all of the involved parties to study the UK government's notices carefully. However, CLECAT considers that these actions should not only be taken in case of the unlikely no-deal scenario, but to consider them for any scenario, as most of the aspects concerning customs and excise will be applicable to any possible deal, especially regarding the current position of the EU in the negotiations.

Source: [UK Government, Guidance on Trading with the EU if there's no Brexit deal](#)

NO-DEAL PREPAREDNESS NOTICE ON VAT

If the UK leaves the EU on 29 March 2019 without a deal, the UK government's aim will be to keep VAT procedures as close as possible to what they are now. This should provide continuity and certainty for businesses. However, there will be some specific changes to the VAT rules and procedures that apply to transactions between the UK and EU member states.

Most remarkable is that, if the UK leaves the EU without an agreement, the UK government will introduce postponed accounting for import VAT on goods brought into the UK. This means that UK VAT registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT on or soon after the time that the goods arrive at the UK border. This will apply both to imports from the EU and non-EU countries. CLECAT is very pleased about this, as CLECAT and especially its UK Member, BIFA, have been requesting this already for several years. However, CLECAT thinks that this possibility should not only be considered for a no-deal scenario but also for any other scenario with a deal.

Furthermore, the VAT note confirms that if the UK leaves the EU without an agreement then Low Value Consignment Relief (LVCR) will no longer apply to any parcels arriving in the UK, which aligns the UK with the global direction of travel on LVCR. This means that all goods entering the UK as parcels sent by overseas businesses will be liable for VAT (unless they are already relieved from VAT under domestic rules, for example zero-rated children's clothing).

Regarding VAT on services the note mentions that the rules around 'place of supply' will continue to apply in broadly the same way that they do now. The current 'place of supply' rules determine the



country in which you need to charge and account for VAT. These rules are in line with international standards set out by the Organisation for Economic Co-operation and Development (OECD).

Source: [UK Government, Guidance on VAT for businesses if there's no Brexit deal](#)

CONSULTATION ON REALIGNMENT OF CORRIDORS FOR BREXIT

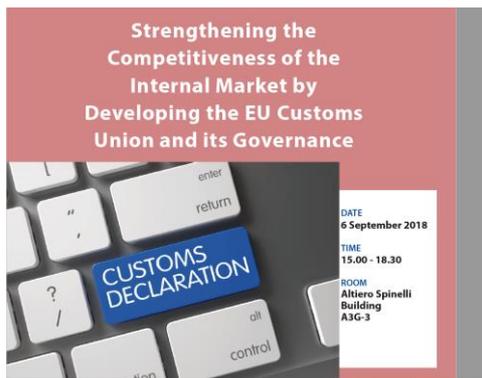
Over the Summer period the Commission issued an initiative on the realignment of the North-Sea Mediterranean Corridor in view of Brexit. The UK is part of the North Sea – Mediterranean transport corridor and subject to any transitional arrangement, as of the date of its withdrawal from the EU, the United Kingdom will no longer be part of the corridor. Therefore, there is a need to revise the alignment of the corridor in order to ensure a continuous connection between the section located in Ireland and the section in the Continental EU.

Recently the Commission adopted its proposal for the new corridor. The Commission proposes to delete the UK ports and to insert Zeebrugge, Antwerp and Rotterdam. The proposal still has to be adopted by the Council and Parliament. For that purpose, a public consultation was launched through which any stakeholders can provide their input.

The proposed legislation, the public consultation and other background info can be found through the following link: [Realignment of the North Sea – Mediterranean Core Network Corridor - BREXIT preparedness](#)

Customs

IMCO WORKSHOP ON THE EU CUSTOMS UNION AND ITS GOVERNANCE



CLECAT has been invited to take part in a Round table debate with some other stakeholders in the European Parliament organised by the IMCO Committee on the 6th September. The Workshop entitled “Strengthening the competitiveness of the Internal Market by developing the EU customs union and its governance” aims to get better insight in the governance of the Customs Union and the challenges for Member States and industry for the timely deployment of the relevant IT infrastructure and related applications.

A first panel Panel will be composed of two presentations by independent experts, including Prof. Dr Tobias STOLL from Goettingen University. Panel 2 will comprise presentations by selected national customs authorities. The workshop will be concluded by a roundtable with participation of stakeholders. The main focus of the workshop will be (delayed) implementation of some IT systems.

The workshop will provide input for an implementation report the IMCO Committee is drawing up on “Strengthening the competitiveness of the Internal Market by developing the EU customs union and its governance”.



NEW WCO GUIDES FOR AEO AND MUTUAL RECOGNITION

The WCO has recently published two documents that provide guidance and further support for the implementation of Authorised Economic Operator (AEO) programmes and their complementary Mutual Recognition Arrangements/Agreements (MRAs) in a more effective and harmonised manner globally: the Customs AEO Validator Guide and the MRA Strategy Guide.

The [Customs AEO Validator Guide](#) is primarily intended to build capacity in Customs administrations with regard to the AEO validation process, in particular the validation of security related provisions and management policies. The WCO says the guide can also be useful to the private sector in better understanding and preparing for AEO validation. The WCO also expects that the guide will contribute towards bringing harmonisation to AEO programmes around the world, thus facilitating the negotiation of MRAs.

The [MRA Strategy Guide](#) is aimed at assisting Customs administrations with the development of MRAs, including the negotiation and implementation thereof. The Guide takes a comprehensive approach to MRAs, laying down a vision and roadmap with a set of activities to be undertaken to reach the pre-defined goals in terms of planning, negotiating, and implementing MRAs with partner Customs administrations. It sets out some of the enablers that are required for the successful negotiation and implementation of MRAs, and includes working examples and best practices. In addition, the Guide recommends a regional or plurilateral approach to MRAs as the way forward. This approach would potentially reduce or even eliminate the need to negotiate and implement bilateral MRAs and the associated administrative costs required in such a process.

Source: [World Customs Organisation](#)

FOLLOW-UP TO THE EU-US NEGOTIATIONS OF 25 JULY

Recently, President Juncker has put in place a bi-monthly reporting mechanism on the evolution of trade in soybeans from the US to the EU. The report published in August is the first concrete follow-up to the EU-US Joint Statement agreed in Washington between Commission President Juncker and US President Trump. The latest figures of the Commission on EU imports of soybeans show an increase of 283% in imports of soybeans from the US bringing the EU's total share of imports of US soybeans to 37%, up from 9% one year ago.

In their Joint Statement of 25 July, President Juncker and President Trump agreed that while future cooperation on trade will not include agriculture as such, the EU and US would work to increase trade in soybeans. The current figures show that imports of US soybeans to the EU have been increasing. Compared to July 2017, EU imports of soybeans from the United States are currently up by 283% at 360,000 tonnes. In terms of the EU's total imports of soybeans the US share is now at 37%, compared to 9% in July 2017. Imports of soymeal, which are traditionally lower with regards to the US, are also on the rise - 185,000 tonnes were imported in July 2018, an increase of 3,337% compared with July 2017. The US is now supplying 13% of EU soymeal imports compared to 0.3% in July 2017.

The EU needs soya in Europe as a source of protein to feed our animals, including chicken, pigs and cattle, as well as for milk production. The EU currently imports about 30 million tonnes per year because it cannot produce sufficient quantities. US prices for both soybeans and soymeal are currently the most competitive on the market and therefore a very attractive feed option for European importers and users.



The data included in the report published on soybeans comes from the Crops Market Observatory which the European Commission launched in July 2017 to share market data and short-term analysis to ensure more transparency.

Source: [EU Commission, DG Agri](#)

2018 CUSTOMS FORUM - SPANISH CUSTOMS AGENTS

CLECAT and its members have been invited to take part in the 2018 Customs Forum of the Spanish Association of Customs Agents. The programme of the event is available at <https://foroaduanero.sponsorship-group.com/programa>

The event will take place at the Parador de Cadiz 'Hotel Atlantico' and will feature an interesting programme. More information is available at <https://foroaduanero.sponsorship-group.com/>



Forthcoming events

CLECAT MEETINGS

CLECAT/FIATA ROAD INSTITUTE MEETING

6/7 September, Prague, Czech Republic

CLECAT MARITIME INSTITUTE/DIGIT WORKING GROUP

11 September, Brussels, Belgium

CLECAT BREXIT WORKING GROUP AND CUSTOMS INSTITUTE

SAVE THE DATE 17-18 September, Brussels, Belgium

FIATA WORLD CONGRESS

26-29 September, New Delhi, India

CLECAT Board/GA Meeting

14 November, Brussels, Belgium

FFF2018 – CUSTOMS, TRADE and SKILLS – What's the Deal?

15 November, Brussels, Belgium

CLECAT CUSTOMS AND INDIRECT TAXATION INSTITUTE

SAVE THE DATE 16 November, Brussels, Belgium

OTHER EVENTS WITH CLECAT PARTICIPATION

GRAYLING BREXIT UNIT EVENT - WILL CUSTOMS SYSTEMS AND TRADE IMplode ON 'BREXIT DAY'?

4 September, Brussels, Belgium



DSLX BREXIT MEETING

5 September, Berlin, Germany

IMCO WORKSHOP – STRENGTHENING THE COMPETITIVENESS OF THE INTERNAL MARKET BY DEVELOPING THE EU CUSTOMS UNION AND ITS GOVERNANCE

6 September, EP, Brussels

EUROPEAN TRANSPORT FORUM: POTENTIAL FOR DECARBONISING EUROPE

25 September, Brussels, Belgium

ENERGY VISIONS SERIES: CLEANER, CONNECTED AND COMPETITIVE

26 September, Brussels, Belgium

EU CUSTOMS SINGLE WINDOW PROJECT

25-27 September, Gdansk, Poland

IRG Rail Forum

27 September, The Hague, The Netherlands

XVI Foro Aduanero / Customs Forum – CGAA

4-7 October, Cadiz, Spain

FEDESPEDI AEO EVENT

11 October, Milan, Italy

Intermodal Freight Transport Conference

18-19 October, Hamburg, Germany

SELIS Workshop: Digital Logistics

25 October, Brussels, Belgium

EP MEETINGS

European Parliament TRAN Committee

29 - 30 August, Brussels

6 September, Brussels

European Parliament IMCO Committee, Workshop on UCC Transitional Period

6 September, Brussels

European Parliament Plenary Session

10 - 13 September, Strasbourg



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European association for forwarding,
transport, logistics and customs services

