



Newsletter – November 2023

EU ETS for shipping: a study to avoid a trap for EU ports?

As risks of cargo diversion to the detriment of EU ports are becoming more and more real with the upcoming entry into force beginning of 2024 of EU ETS for shipping, FEPORT members who gathered in Antwerp for the General Assembly meeting of their organization, reiterated their concern regarding the measures proposed by the EU Commission i.e., the monitoring and the possibility of a review of the Regulation which do not constitute short term efficient solutions regarding the risk of cargo evasion.

“We need a real study regarding the impact of ETS for shipping on EU ports to be conducted now and not in two years’ time when cargo will have left some EU ports for good” says FEPORT president Mr Gunther Bonz.

“Ports have not been on the radar of the EU Commission when EU ETS for shipping was discussed, and the real risks of cargo diversion have not been really assessed. So, we are now in a situation where our terminals can become less competitive and attractive for shipping lines which do not intend to pass on the additional ETS costs to their customers and call in non-EU ports” adds Mr Bonz

“This was not EU policy makers’ aim but it is the result. The clock is ticking for EU ports. This is why we are calling the EU Commission to start immediately a study and to also perform a continuous assessment in real-time of the impact of EU ETS for Shipping now. The terms of reference of the study should consider all solutions that are currently proposed by different port stakeholders to avoid cargo diversion. It is important that we all do our utmost efforts to avoid a detrimental effect on employment in EU ports” concludes FEPORT President.

FEPOR is looking forward to having a constructive dialogue with the EU Commission regarding possible solutions to avoid cargo diversion.

26.10.2023 – Commission adopts implementing Regulation (EU) 2023/2297 identifying neighbouring container transshipment ports – Brussels

On the 26th of October, the European Commission adopted the implementing Regulation that identifies neighbouring container transshipment ports pursuant to [Directive 2003/87/EC](#), establishing a system for greenhouse gas emissions allowance trading within the Union (EU ETS).

The Annex of the Regulation identifies the neighbouring container transshipment ports, whose definition is outlined in the ETS Directive. These ports are excluded from the ETS definition of “port of call”. A port to be identified as a neighbouring container transshipment port, needs to fulfil several criteria. In particular, the port’s share of transshipment of containers must exceed 65 % of the total container traffic of that port during the most recent twelve-month period for which relevant data are available. Furthermore, the port must be located outside the Union but less than 300 nautical miles from a port under the jurisdiction of a Member State.

The neighbouring transshipment ports identified in the implementing Regulation are the following:

1. East Port Said, Egypt
2. Tanger Med, Morocco

The Implementing Regulation will apply as from 1 January 2024, the same date as the start of the phase-in of ETS Maritime.

Source: Official Journal of the European Union

07.11.2023 – Commission adopts new proposal on the Combined Transport Directive – Brussels



On the 7th of November 2023, the European Commission has presented its proposal for a revision a new amendment to the Combined Transport Directive with a stronger emphasis on reaching a modal shift towards more sustainable transport methods and also on increasing the competitiveness of intermodal transport compared to road transport.

The proposal aims to make intermodal transport more efficient and competitive by channelling support towards operations that reduce by at least 40% the negative externalities compared to road-only operations between the same starting and end points.

The Combined Transport Directive has not been revised since 1992, and in 1998 and 2017, there were unsuccessful attempts to update it that did not produce satisfactory agreements. The proposal completes the Greening Freight Package , which was adopted in July 2023.

The main features of the proposal are the following:

- Introduction of digital platforms under the electronic freight transport information Regulation (eFTI) to provide a calculation tool for transport organizers to determine their eligibility for support.
- Exemption from temporary driving bans for combined transport, improving infrastructure capacity utilization.
- Setting a competitiveness target for Member States to reduce the average door-to-door cost of combined transport operations by at least 10% within 7 years.
- Establishment of a new EU gateway for intermodal transport information to enhance transparency and accessibility.
- Requirement for terminal operators to provide information on their services and facilities at EU transshipment terminals.

07.11.2023 – FEPORT replies to call for feedback on UCC reform – Brussels

EU CUSTOMS REFORM

On the 7th of November, FEPORT [replied](#) to the call for feedback regarding the revision of the Union Customs Code, for which the Commission issued a proposal on the 17th of May, 2023.

In its reply, FEPORT emphasized its support for the reform’s objectives aiming at simplifying procedures for “Trust and Check” operators while further enhancing and harmonizing risk management thanks to the introduction of an EU Customs Data Hub and the establishment of an EU Customs Authority.

However, FEPORT expressed a number of concerns regarding the proposed new rules on temporary storage which reduce the time limit from 90 days at current to 3-6 days, stressing that these provisions could pose risks to the fluidity of logistics chains, give rise to liability issues and increase the administrative and IT costs for terminal operators.

07.11.2023 - ESPO award 2023 - Brussels



As every year, FEPORT Secretary General, Ms Lamia Kerdjoudj attended ESPO Awards which this year also coincided with the celebration of the 30th anniversary of the European Sea Ports Organization. (ESPO).

North Sea Port received the ESPO Award 2023 for its efforts in restoring nature in and around the port area.

The winning project, "Connecting nature in Ports and residential areas – Ghent Canal Zone and Moervaart Valley," focuses on developing the space between the industrial port and nearby residential areas. It aims to boost biodiversity, garner public support for port activities, and integrate with the surrounding residential environment.

Dimitrios Theologitis, Chairman of the Jury, praised the commitment of ports to nature restoration and biodiversity. North Sea Port's CEO, Daan Schalck, highlighted the project's role as buffer zones, adding greenery to the port while maintaining a balance between work and living spaces. The project involved collaboration with all stakeholders, including local residents.

09.11.2023 - 71st meeting of the Stakeholders Advisory Group on Maritime Security - Brussels

On the 9th of November, FEPORT attended the 71st meeting of the Stakeholder Advisory Group on Maritime Security (SAGMAS).

Part of the discussions focussed on shipping security, with presentations being provided on piracy, focussing on the latest trends when it comes to attacks and incidents world-wide.

The topic of organized crime in European ports was also discussed and DG HOME gave a presentation on the anti-drug trafficking action plan and the European Ports Alliance, which aims to make ports more resilient against criminal infiltration by reinforcing the work of customs authorities and law enforcement as well as public and private actors in ports across the EU.

09.11.2023 – Sectoral Social Dialogue for Ports meeting – Brussels



On the 9th of November, FEPORT, along with other representatives from employers' and employees' organizations, participated to the last 2023 meeting of the Sectoral Social Dialogue for Ports held at the Borschette Center in Brussels.

The first item on the agenda concerned the formal adoption of the “Guidelines on fumigated containers” with the presence of Mr Jörg Tagger, Head of Unit “Social Dialogue” of the Directorate-General for Employment, Social Affairs and Inclusion. The Guidance is the concrete achievement of the social partners.

The second point on the agenda was “Women inclusion in the port sector and how to reduce the gender gap”. FEPORT underlined that this topic must be a priority and suggested the elaboration of a questionnaire that would allow the identification of the main obstacles to the inclusion of women and explore solutions that would make the sector more attractive to women.

Another important topic on the agenda were the the delegated acts on EU ETS for shipping; Ms. Ngoc-Lan Lang (Policy Officer Climate action in shipping and aviation of DG CLIMA) presented to the social partners an overview of the implementing and delegated acts. FEPORT reiterated its concern about the proposed measures (the monitoring and the possibility of a revision of the Regulation), as the risks of cargo diversion to the disadvantage of EU ports are becoming increasingly real with the imminent entry into force of the Maritime Transport ETS in early 2024.

The other social partners also expressed their concerns about the implementation of the EU ETS and the risks of cargo diversion. FEPORT reiterated that monitoring only is not a sufficient solution to the real risks of ships preferring to call non-EU ports to avoid ETS and submitted the idea of an additional assessment of the impact of ETS on ports to be carried out immediately.

17.11.2023 – FEPORT replies to call for feedback regarding Rail Capacity Regulation proposal - Brussels

On the 17th of November, FEPORT replied to the call for feedback regarding the Rail Capacity Regulation proposal, which was published on the 11th July as part of the “Greening Freight Transport” package.

In its reply, FEPORT expressed its support to the objectives of the proposal i.e. to enhance the availability of rail infrastructure capacity by improving processes regarding capacity allocation for passenger and freight trains. In addition, FEPORT stressed that it is key to consult all operational stakeholders including terminal operators in the framework of strategic capacity planning.

FEPORT’s reply also underlined the importance of cooperation between infrastructure managers, railway undertakings and terminal operators on the allocation of rail infrastructure and terminal capacity. However, these coordination requirements should not be to the detriment of terminal operators' ability to negotiate contracts with railway undertakings at their own capacity and, as already recognised by the proposal in the case of infrastructure managers and railway undertakings, it is also crucial that terminal operators receive guarantees on allocated capacity.

17.11.2023 – Liner Shipping Consortia Block Exemption to potentially expire in the UK

On November 17th, the Competition and Markets Authority (CMA) published its provisional decision, stating that it will not recommend replacing the CBER (Retained CBER). The CMA believes that the retained CBER should expire on April 25th 2024, without a replacement.

The CBER provides an automatic exemption from competition rules for certain agreements among liner shipping companies and was retained in UK law after the withdrawal from the European Union.

The CMA initiated a review of the Retained CBER in August 2022 and initially proposed its replacement with a new exemption after consultations. However, the CMA reversed its recommendation, stating it will not advise replacement and will let the Retained CBER expire.

Conditions for recommending a replacement, according to the CMA, include certainty that consortium agreements meet the exemption conditions and sufficient benefits compared to self-assessment. The CMA concluded that it lacks certainty that consortia covered by the Retained CBER will produce efficiencies outweighing their potential impact on competition. Moreover, creating a new sector-specific exemption was deemed to provide insufficient benefits compared to self-assessment.

If the CMA's provisional decision becomes final, shipping companies involved in Consortia may need to consider alternative exemptions or conduct self-assessments of competition compliance. However, this decision is aligned to the one of the EU, but diverges from other jurisdictions, as Singapore and Hong Kong which renewed their relevant exemptions in 2021 and 2022.

The CMA is currently open to consultations and will make a final decision later. Meanwhile, shipping companies should carefully assess the implications for their business and conduct self-assessments in preparation for the potential expiration of the Retained CBER in 2024.

The CMA provisional decision can be found [here](#).

21.11.2023 – EuDA Conference – Brussels



EuDA annual conference on “Blue Economic Actors and Assets, Critical to deliver Europe’s Open Strategic Autonomy” took place on the 21st of November in Brussels, gathering representatives from the European Commission, academia, and industry. The discussion focused on the multiple threats (COVID pandemic and subsequently the war in Ukraine) and the severe disruption of the supply chain that Europe has faced in recent years.

Addressing these challenges head-on, the conference explored proactive initiatives designed to effectively counter these issues, such as the Foreign Subsidies Regulation and the Open Global Gateway.

The discussion focused on the economic security of the EU, highlighting concerns about the gradual weakening of European leadership over the past decade, now also threatened by the relentless and determined use of unfair trade practices. Non-EU State-owned Enterprises are the flagship instruments used by some countries to fulfil their economic

and geopolitical ambitions. This ‘aggressive’ use of economic power and resources to deliberately weaken and progressively eliminate competition in targeted markets is also known as *hybrid warfare*.

When addressing unfair trade practices, the EU deploys a strategic toolbox of differentiated but complementary trade instruments: since 2019, Europe has built new legislative instruments and equipped itself with trade tools to defend its internal market and its industries against the consequences of these practices.

In this context, the role and importance of the Foreign Subsidies Regulation (FSR) and the Open Global Gateway were discussed. The FSR is designed to target the most distorting foreign subsidies in EU public procurement, aiming to create a fair and level playing field. Meanwhile, the Global Gateway strategy serves as the EU's vehicle for investing in the enhancement of digital, transport, and energy networks, aligning with the interests of both the EU and its partner countries.

21.11.2023 – European Parliament adopts the extensive Net-Zero Industry Act – Strasbourg



On the 21st of November, during the plenary session in Strasbourg, the MEPs voted in favour of the inclusion of a broader list of technologies in the legislative act, among them also nuclear fission and fusion technologies, sustainable aviation fuels (SAF) and specific industrial technologies.



The Net Zero Industry Act (NZIA), which sets a target for Europe to produce 40% of net-zero technologies based on National Energy and Climate Plans (NECPs) and to capture 25% of the global market value for these technologies, now includes 17 technologies – rather than the 10 originally foreseen – deemed essential to achieve climate neutrality by 2050.

The 17 technologies targeted by the Parliament text comprise renewable energy (wind and solar), nuclear energy (fission, fusion, fuel cycle), energy storage; capture, transport, injection, storage and utilisation of carbon dioxide, methane and nitrous oxide; hydrogen (transport, electrolyzers, fuel cells, propulsion and production and refuelling infrastructure), alternative fuels, bio-methane, electric vehicle recharging, heat pumps, energy efficiency, thermal energy distribution and power grids, thermonuclear fusion, electrification and high-efficiency industrial processes for energy- and carbon-intensive industries, biomaterial production and recycling.

Next steps: the first negotiations between the Parliament, the Commission and the Council are scheduled for December 2023.

23.11.2023 – CLECAT and ESC Logistics For Europe Forum 2023 – Brussels



CLECAT and ESC organised their second Logistics for Europe event on the 16th of November in Brussels to debate the EU Customs Reform and the need for trade to adopt sustainable and transparent sourcing practices, marked by new reporting standards.

Welcoming participants, Mr van der Schalk, President of CLECAT reflected on business concerns on EU's competitiveness with the regulatory pressure on business mounting whilst remaining dependent on complex value and supply chains. Legislative measures are compelling shippers and freight forwarders to report not only on their financials, but also on social and environmental aspects when engaging in global sourcing. This calls for increased collaboration between shippers and service providers within the logistics supply chains.

The event gained insights from Rem Korteweg from the Clingendael Institute on the impact of the geopolitical events on global trade. Evidence that producers have started reorienting their supply chains can be found in the steadily declining share of imports and trade in the Gross National Product of countries. Investment flows are changing. Mr Korteweg argued that globalisation is not ceasing but undergoing a transformation, which also includes a shift in terms of norms. This is notably visible in the European Union's implementation of new trade strategies that encompass both defensive and offensive trade instruments, as well as non-trade instruments that impact trade such as the CBAM and the Corporate Sustainability Due Diligence Directive. These developments also offer opportunities for the transport and logistics sector, because if companies spread their supply chains across multiple countries, it means an increase in trade. In conclusion, Mr Korteweg noted that the landscape becomes more complicated, more disputed, and more expensive. We have had very cheap access to all products and markets from around the world for many years. That time is over.



In the panel on the EU Customs reform Dimitri Serafimoff, chair of CLECAT's customs' Institute raised some of CLECAT concerns with the proposal. He highlighted CLECAT is advocating for the preservation of existing customs facilitations for companies who, in the future, might not qualify as AEOs or Trust and Check traders through their customs representatives. Many, especially the SMEs, outsource their customs work because they lack the resources or infrastructure to handle it internally. These companies often don't seek customs authorisations, relying instead on their brokers. The proposed reform, by making Trust and Check status a prerequisite for all future facilitations and at the same time limiting the scope of customs representation, could eliminate this option.

Additionally, Mr Serafimoff raised concerns about non-fiscal obligations. He highlighted the increasing challenges, such as those evident with CBAM reporting, where many customs representatives are declining to assume responsibility due to the unavailability of reliable and compliant data. Also, Ms Lindenhovius from Wilmar Europe acknowledged that although she supports the main objective of the Customs Reform, she finds certain aspects of its practical implementation unclear. She suggested that the legislators may not have fully grasped the complexity of the supply chain. She cited the example of multiple changes in ownership of the incoming cargo en-route and also stated that most trading companies will not be willing to compromise their competitive advantage by sharing commercially sensitive information.

Source: CLECAT

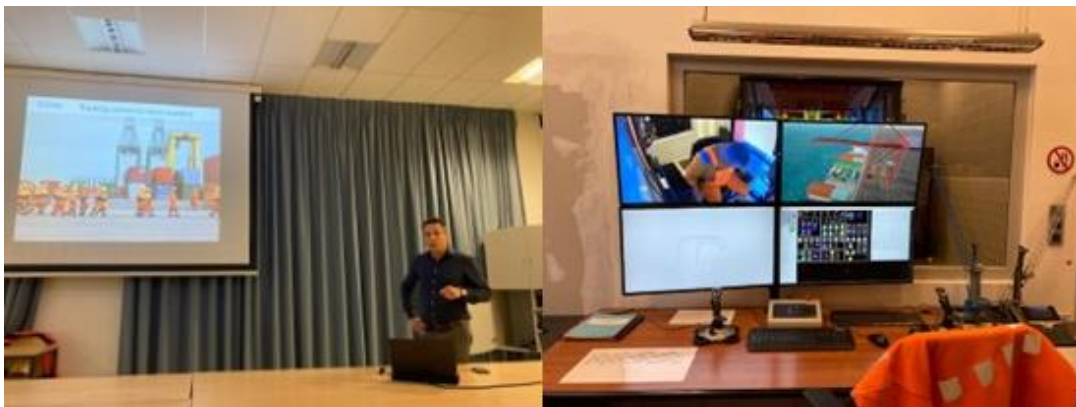
24.11.2023 – Joint FEPORT/ETF Workshop- Antwerp

On the 24th of November, FEPORT in collaboration with ETF organised a workshop hosted by MEP Kathleen Van Brempt and in presence of Ms Daniela Rosca, Head of the port Unit at DG MOVE. The event took place, first, at the PSA port terminal offices where discussions concerned key priorities and challenges within the port sector.

Opening presentations provided an overview about the different topics and were followed by exchanges and lively discussions on different subjects such as competitiveness, energy transition, geopolitical tensions etc...



The second part of the session took place at CEPA OCHA training centre and offered the participants the possibility to have a close look to the training facilities for dock workers.



The workshop was a good brainstorming exercise about the challenges and opportunities of the sector and the key expectations from policy makers in view of the European elections in 2024.

28-29.11.2023 – FEPORT participates to les Assises de l’Economie de la Mer – Nantes



FEPORT Secretary General, Ms Lamia Kerdjoudj has been invited to speak at les Assises de l’Economie de la Mer, an outstanding event which gathers more than 2000 participants from the private and public maritime cluster.

The President of the French Republic, Emmanuel Macron provided his vision regarding the sector and in particular his thoughts on how the maritime ecosystem can serve the French and European sovereignty. Many speakers representing different sectors also shared their views on how power can strengthen sovereignty.

"Power entails a continuity in the efforts, a consistency in the policies and a real integration of all actors of the ecosystem upstream and downstream shipping and ports. Power materialises at sea and on shore through infrastructures and logistics, academic and scientific research" said FEPORT Secretary General.

"Power is boosted by the competitiveness of all actors, French and European ones. It consolidates sovereignty and perpetuates it. However, to better prepare for the future, lessons from the recent and older past must be drawn. This is the best guarantee to strengthen the position of France and the EU" added Ms Lamia Kerdjoudj

"Intra-EU Competition has been for too long an "obsession" concerning ports but the level playing field within the maritime logistics chain has often been neglected by EU regulators. It would be also important that competitiveness of the maritime ecosystem including ports becomes a priority at EU level and that competition with non-EU neighbours is on the radar of policy makers when proposing pieces of legislation" concluded FEPORT Secretary General.

30.11.2023 – FEPORT, ETA, EMPA and ECASBA members call on the EU Commission to immediately commission a study on the risks of cargo diversion from European ports – Brussels



As risks of cargo diversion to the detriment of EU ports are indeed becoming more and more real with the upcoming entry into force at the beginning of 2024 of EU ETS for shipping, FEPORT, ETA, EMPA and ECASBA members express a major concern regarding the lack of real assessment of the EU ETS for shipping related effects on EU ports. The measures proposed by the EU Commission i.e., the monitoring and the possibility of a review of the Regulation do not constitute the proper response to real risks of cargo diversion to the benefit of non-EU ports in the Mediterranean and the UK.

“We need a real assessment of the impact of ETS for shipping on EU ports to be conducted now and not in two years’ time when cargo will have left some EU ports for good. Port capacities in Southern Mediterranean and other non-EU ports are important and they will continue to grow. They will represent attractive alternatives for the shipping lines which want to avoid ETS. Do we want to wait for this to happen and investments in EU ports to be put on hold or cancelled?” says FEPORT Secretary General, Ms Lamia Kerdjoudj

Ports have not been on the radar of the EU Commission when EU ETS for shipping was discussed, FEPORT, ETA, EMPA and ECASBA members are now in a situation where shipping lines, which do not intend to pass on the additional ETS costs to their customers, will prefer to call non-EU ports with all implications this will have on employment and economic activity for EU ports. Furthermore, the Fit for 55 objectives to reduce emissions will be circumvented. Once the trade routes are shifted and the regulations are bypassed, it will be very difficult to reverse these detrimental effects.

The clock is ticking for EU ports. This is why FEPORT, ETA, EMPA and ECASBA are urging the EU Commission to start a study about the impact of EU ETS for Shipping now. The terms of reference of the study could possibly consider all solutions that are currently proposed by different port stakeholders to avoid cargo diversion.

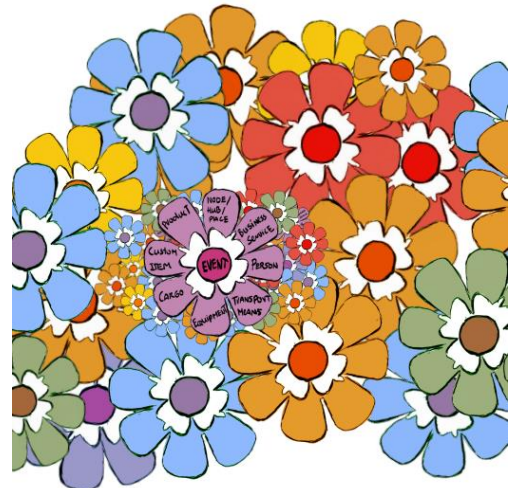
At the same time, FEPORT, ETA, EMPA and ECASBA call on the Commission to continue to raise its voice within IMO in favour of a global ETS and concurrently to immediately

explore the possibility of concluding bilateral agreements with EU neighbouring countries that could adopt legislation similar to ETS and with converging timelines.

30.11.2023 – Data Logistics Festival event – Brussels

On the 30th of November, FEPORT attended the Data Logistics Festival which took place in Brussels. The event gathered a variety of stakeholders interested in overcoming existing bottlenecks in data sharing practices. The universal challenge of insufficient supply chain visibility demands a pragmatic approach, urging stakeholders to take grounded action. FEDeRATED's call resonates with the imperative to enhance EU operational capabilities in data-based logistics for both business and public authorities.

EU DATA LOGISTICS FESTIVAL - 30 NOVEMBER 2023



The event showcased the collaborative endeavours of the 15 partners in the FEDeRATED project across six EU member states: Finland, Italy, Netherlands, Luxembourg, Spain, and Sweden. These partners shared the results of years of work promoting real time logistics data sharing across 15 countries since the project's initiation in 2019 under the Digital Transport and Logistics Forum. The EU CEF FEDEeRATED projects aims to establish a secure, open, and neutral infrastructure for data sharing through practical Living Labs.

During the conference, two main questions were addressed:

- What works and what does not work in decentralized data-based logistics?
- How should an operational framework to realize seamless multimodal freight transport and logistics look like?

The partners in the FEDeRATED project are pursuing data driven logistics based on 21st century technology insights and preferably based on opensource availability.

Member's corner:

27.11.2023 - HHLA CTA implements battery power to AGV fleet



The Hamburger Hafen und Logistik AG (HHLA) has announced that its Automated Guided Vehicle (AGV) fleet at the Container Terminal Altenwerder (CTA) is now fully battery-powered, eliminating the use of diesel.

This means that the entire container transit process, from the ship to the storage system, is now powered exclusively by renewable electricity.

This transition has saved approximately 3 million liters of diesel per year, reducing CO₂ emissions by around 8,000 tonnes. HHLA continues to invest in the electrification of other terminals with the aim of achieving climate-neutral operations by 2040. Additionally, CTA has obtained certification as a climate-neutral company.

HHLA is exploring the use of battery-powered tractor units, and any remaining CO₂ emissions at CTA are offset with compensation certificates. Overall, HHLA recently reported a decline in revenue and profits in the first nine months of 2023.

Events supported by FEPORT

02/05.04.2024 - Connecting Europe days 2024 – Brussels



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Institutional meetings

4.12.2023	ENVI Committee Meeting – Brussels
7.12.2023	TRAN Committee Meeting – Brussels
7.12.2023	ITRE Committee Meeting – Brussels

Council of the EU meetings

04.12.2023	Transport Council – Brussels
18.12.2023	ENVI Council - Brussels