ECG News

Truck Ship Compound Train Barge

ECG – The Association of European Vehicle Logistics

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NEWS FROM BRUSSELS

ECG supported a Dinner Debate on rail freight in the European Parliament

(Source: ECG, 20th June 2013) On Tuesday 18th June, Polish Member of the European Parliament (MEP), and former Transport Minister, Boguslaw Liberadzki hosted a Dinner Debate in the European Parliament (EP) with the compelling title "*What does the automobile industry expect from the Fourth Railway Package?*" In line with its stated ambition to become more involved in EU rail freight policy, **ECG** responded positively to the MEP's request to support this event which was furthermore sponsored by ECG (Board) member **ARS Altmann**. The high-level audience, assembled in a packed salon in the EP restaurant, was treated to a warm welcome by MEP Liberadzki who stated that the automotive industry is clearly a very big client of the rail sector and therefore merited to be heard about the latest Commission proposals to make the EU's rail (freight) market more competitive and thus more attractive for all its users. **GEFCO**'s Antoine Redier, speaking as ECG Board member in charge of EU Affairs, kicked off the keynote speeches with a presentation referring back to previous Commission initiatives in 2010 (on dedicated freight corridors) and 2012 (the so-called Recast of the 1st Railway Package, which was meant to open the market for international freight transport). He ended with some open questions which mainly focused on ECG's wish to achieve a higher service level and expressed the hope for a European railway network, not the current patchwork of national and regional players. Most importantly, a factual discussion should be held on whether the Commission's stated preference for a total "unbundling" of vertically integrated Infrastructure Managers (IMs) and Railway Undertakings (RUs) is the only way forward, or if holding structures – as is currently the reality in some of the large Member States – would lead to the same objective. GM's Andreas Ginkel supported this view, as his insightful presentation repeated the most important criterion a car manufacturer requires from rail: reliability. He moreover called for more standardisation, not only of the physical but also the digital and service "infrastructure". The second OEM on the programme, SEAT represented by Manuel Medina, started with a strong statement by saying rail should not be a goal in itself but a competitive transport mode at the service of its customers – repeating the messages he had delivered to the EP's Transport Committee back in 2011. As he attributed the drop from 35% of volume shipped by SEAT via rail in 2003 to slightly above 5% in 2012 to both crisis-related volume reductions as well as rail's "rigidity", he called for the connection of Spanish ports to the rest of the EU's railway network and pointed to the need to reach "balanced services" in order to avoid empty return flows. An important point raised by several speakers was the view that rail terminals should be part of the infrastructure, meaning managed by independent IMs and not by the RUs themselves. Dr Maximilan Altmann delivered a much-appreciated presentation where he described the ambitious decision taken by the privately owned company ARS Altmann to invest in own assets for rail transport, which complemented a successful road transport business. In line with other speakers, he emphasised the need to address interoperability as one of the most important barriers which impede the further development of rail freight across Europe. He also appealed to the policymakers saying that both railway authorities and infrastructure managers should be given more "power", no matter which governance model is chosen by individual Member States. As the format of the Dinner Debate foresaw that both the European Commission and the rail sector (represented by CER – the Community of European Railway and Infrastructure Companies) took the floor to respond to the concerns raised by LSPs and OEMs, these final 2 speakers delivered thoroughly prepared presentations which detailed the work they have been undertaking over many years to make rail freight more attractive – each from their own, sometimes differing, point of view. The Commission called on users of the planned 9 "rail freight corridors" (with 6 of them coming into effect in 2013) to

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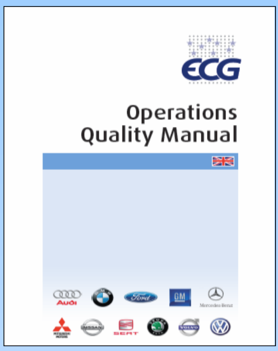

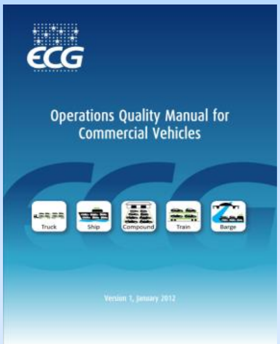

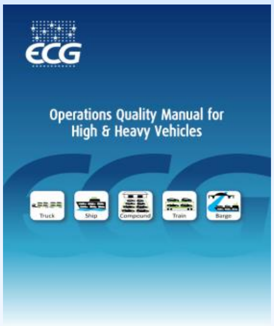

- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded from: http://www.ecgassociation.eu/PublicationsReports/ECGOperationsQualityManuals.aspx

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become actively involved in the so-called corridor platforms that will be set up accordingly. The CER Executive Director confirmed that the automotive industry is a very important client for them, while pointing to the apparent discrepancy between the EU's desire to support rail freight and the reality that its use has continuously declined in the past 10 years. While not believing that institutional separation of IMs and RUs is the "panacea" for the future of rail, CER does call for the need to invest more in rail infrastructure in order to make it more competitive and supports the Commission's corridor approach. Many additional issues were addressed by the speakers, which resulted in an animated debate with the audience – it was particularly refreshing to see other Commission officials standing up and defending the policies they are trying to have approved by the European Parliament and Council of Ministers. Consequently ECG was very pleased to have supported this important exchange of views, and certainly agrees with MEP Liberadzki who in his closing statements said that it is important that all current railway legislation is implemented correctly by the Member States, so that there will not be a need for a "5th Railway Package" in a few years from now!

EU ratifies the Alpine Convention's Transport Protocol

(Source: European Commission, 10th June 2013) With the decision adopted on Monday 10th June by the Council, the European Union ratified the Transport Protocol of the Alpine Convention, which consequently enters into force in the European Union and becomes European law. This decision is part of the EU "greening transport" approach and confirms that the Alpine region is an important issue in the European transports policy. Commission's Vice-President Siim Kallas welcomed the decision of the Council to ratify the Alpine Convention's Transport Protocol on behalf of the European Union: "The Transport Protocol is an important instrument to protect the sensitive Alpine environment and to promote sustainable mobility in the Alps. It offers a template for effective international co-ordination and management of Trans-Alpine transport, and strongly supports modal shift, in particular by promoting alternative modes of transport than road, especially for freight transport. It provides a valid framework for accompanying measures and contributes to lessening the fragmentation of the Pan-Alpine transport policy. The protocol has been ratified by all EU Alpine states. Italy completed its ratification process last October. Mr Pat Cox, Co-ordinator of the Trans-European Transport Network (TEN-T) Railway axis Berlin-Palermo, actively supported the Italian ratification process which eventually allowed achieving the EU ratification under Irish Presidency.

European Commission threatens to bring Germany to court if it does not make its rail system more transparent

(Source: Euractiv.com, 20th June 2013) On Thursday 20th June, the European Commission has given France and Britain two months to respond to a request to lower charges for passenger and freight trains to use the Channel Tunnel, or face possible court action. "Access charges for passenger services and freight are much higher than they need to be," an EU official said, adding that the tunnel was less used than it should be because of the cost. EU officials said if the charges were lower, the tunnel could make up the difference through increased freight traffic, forecasting a doubling of the amount of daily freight trains. Under EU law, rail companies are only allowed to charge fees consistent with the amount of wear caused by a train journey. But the officials said the Commission investigation found operators of the Channel Tunnel were charging higher-than-necessary access charges, and using this income to subsidise the operator's car shuttle service, which does not pay such charges. Officials said the tunnel had sought an exception to levy higher access charges to pay construction costs. They said the investigation did not find evidence to support this, and noted that Eurotunnel's financing costs declined significantly after a write-off in 2007. In addition to access charges, Commission regulators found that a usage agreement which reserves 50% of traffic for French national rail operator SNCF

and German **DB Schenker** for 65 years violated EU rules because of its length. The tunnel's own rail regulator is also too weak, they said, and the railway operators have too much control. In a separate case, the Commission said it may bring Germany to court if it does not change rules to make sure accounts and profits are transparent in its rail system. The European Commission has the power to refer nations to the European Court of Justice, which can impose daily fines if EU Member States do not respond to a warning they are breaking EU law. Regulators said current rules allow railway operators who also manage infrastructure, namely Deutsche Bahn, to unfairly transfer money earned from track charges paid by competitors to subsidise its other divisions. "The Commission welcomes Europe's railways establishing services in other Member States but it is vital that this is done, and seen to be done, without using money given to the railway by Member States to support infrastructure investments," Transport Commissioner Siim Kallas said in a statement. This violates an EU law against transferring public funds between infrastructure and transport services, Commission officials said, while adding that the money earned from track charges should either be used on infrastructure or redistributed as dividend to the state.

AUTOMOTIVE INDUSTRY

Germany leans on EU states to weaken car CO_2 law

(Source: Automotive News Europe, 19th June 2013) Senior members of the German government have warned EU Member States that Germany's automakers could scale back or scrap production plans in their countries unless they support weakened carbon emissions rules, according to diplomatic sources. With EU governments and lawmakers aiming to finalise the rules before the end of June, which most of the 27 EU Member States back, Germany has stepped up the pressure on them to water down limits on vehicle emissions to protect the country's car industry, particularly luxury manufacturers such as BMW and Daimler. The sources added that some calls warning EU Member States of possible consequences have come from members of German Chancellor Angela Merkel's office. One EU diplomat said Berlin had reminded Lisbon of Portugal's €78bn Eurozone bailout, which was heavily financed by Germany, in its bid to convince the country to drop its opposition to softer limits. "They have tried everything at the highest level to pressure Member States, in particular countries in the bailout club, to support their proposals," said the diplomat. "Germany seems hell-bent on pressing its interests. Even countries that are generally pro-German feel that they are going too far." A German government source denied that Berlin had put particular pressure on countries that have received EU financial aid, and said its aim was to protect jobs in the EU auto sector. "Our strategy is to focus on France, Britain and Italy as the big car producing countries, and on the countries which have important supply industries," the source said. "They should all be together in this fight. We should not drive jobs out of Europe at a moment of high unemployment." Germany's position is backed by a handful of central European countries with domestic auto production, but France, Britain and Italy are opposed to it.

European car sales sink to 20-year low in May

(Source: Automotive News Europe, 18th June 2013) European car sales fell to a 20-year low in May as rising unemployment caused by the region's recession reduced demand. Registrations dropped 6% to 1.08m vehicles from 1.15m a year earlier, industry association ACEA said on Tuesday 18th June. The figure was the lowest for any month of May since 1993, said Quynh-Nhu Huynh, ACEA's Economics Director. The numbers are for the 27 EU Member States plus Switzerland, Norway and Iceland. PSA Peugeot Citroën saw the steepest decline among Europe's volume automakers with group sales falling 13%. Citroën's registrations plunged 15% and the Peugeot brand posted a 12% decline. Fiat

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Course 8 commences on Tuesday 8th October 2013 in Berlin, Germany.

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ECG AGENDA

► **ECG Board Meeting** on **26th June 2013** in Stuttgart, Germany

► **ECG / ACEA Meeting** on **27th June 2013** in Stuttgart, Germany

► **Webinar to present the ECG Quarterly Survey results** on **4th September 2013**

► **ECG Academy** Course 8 commences on **8th October 2013** in Berlin, Germany

► **ECG / ACEA Meeting** on **10th October 2013** in Berlin, Germany

► **ECG Conference** on **10th & 11th October 2013** in Berlin, Germany

► **Webinar to present the ECG Quarterly Survey results** on **18th November 2013**

► **ECG Spring Congress & General Assembly** on **22nd & 23rd May 2014** in Athens, Greece

Group sales were down 11% with Fiat brand sales dropping by 6%, while Alfa Romeo sales were down 25% and Lancia/Chrysler registrations declined by 22%. General Motors Europe's volume also fell 11% with Opel/Vauxhall sales declining by 8%, while Chevrolet registrations plummeted 23%.

GM extends summer production shutdown at Russian plant as market cools

(Source: Automotive News Europe, 17th June 2013) General Motors will extend the summer shutdown at its factory in St. Petersburg, Russia, as the country's car market growth slows down. The factory, which builds the Chevrolet Cruze, Chevrolet Trailblazer and Opel Astra models, will stop production for almost a month from 22nd July to 24th August, GM Russia Spokesman Sergei Lepnukhov said. In 2012, the plant's summer break lasted two weeks. "We are adjusting to the demand," Lepnukhov said. During the break, work will also start to expand the St. Petersburg factory's capacity. GM aims to increase the plant's annual capacity to 230,000 units by 2016 from 98,000 currently. GM's vehicle sales in Russia fell 8% to 99,000 in the first five months of 2013, in a market down 4% to 1.1m units, according to the Moscow-based Association of European Businesses (AEB). After record growth last year, the Russian car market is slowing down as the country's economy cools. AEB expects the market to decline by 5% to 2.8m units in 2013. GM is currently expanding its Russian joint venture with AvtoVAZ in Togliatti. Recently, the partners began to work on a $200m components plant that will make parts for the Chevrolet Niva SUV. The new plant is part of GM's plans to boost the automaker's total Russian production to 350,000 vehicles a year by 2016, including cars built at the St. Petersburg plant. The joint venture has an annual capacity to build 98,000 Nivas. It sold 63,000 Nivas in 2012, up 9% from the previous year. Glover said the carmaker is confident that the Russian market will rebound. "We would be negligent if we were not investing in a market like Russia," he said.

New subcompact to lead MG's European expansion

(Source: Automotive News Europe, 18th June 2013) MG Motor UK, owned by China's SAIC Motor, will start production of the MG3 at its factory in Longbridge, England, later this summer. The subcompact will lead MG Motor's expansion into other European markets after its September sales launch in the United Kingdom. Initially, the MG3 will be sold in the European right-hand-drive markets of Ireland and Cyprus, as well as in the UK. "We will start with very small markets and gradually build up to larger markets," a company spokesman said. The MG3 will be the brand's second model line sold in the UK. It will be assembled in Longbridge, on the same line as the MG6 mid-sized sedan and hatchback from a kit supplied by SAIC in China. Since its return to the UK market in 2011, MG has struggled to make inroads with the MG6. Through May this year, the brand sold just 107 cars, down 79% on the year before.

EUROPE

Spanish dealers raided in anti-trust action

(Source: Automotive Logistics News, 19th June 2013) The Spanish government's anti-trust authority, the National Competition Commission (CNC), is investigating a number of automotive dealers and distributors across the country that are suspected of being involved in the price fixing of vehicles and services, as well as the exchange of commercially sensitive information. The organisation would not reveal how many companies were involved, which ones they were or how widespread was the action. Spain's Federation of Automotive Dealers (FaconAuto), which represents around 2,650 dealers, did not comment on the action. While the carmakers are also remaining reticent because the investigation is on-going, Volkswagen, which owns Seat, acknowledged that it was aware that

Events in Brussels

"Transeuropean rail freight transport: What future lies ahead?" by the Lithuanian Presidency of the EU Council and the Community of European Railway (CER) on 9th July 2013.
ECG will attend

"Clean Power for Transport" Conference by the European Commission DG MOVE on 21st October 2013.
ECG will attend

the CNC had started an investigation into some automotive dealers because of possible unlawful behaviour. The CNC made a number of calls earlier in June to the head offices of several companies operating in the car distribution business on suspicion of anti-competitive practices. An assessment of the information gathered is now being made. Should evidence be found of such practices, formal proceedings will start under Article 1 of the Spanish Competition Act 15/2007 and could result in the companies involved being fined up to 10% of their total turnover. However, the CNC was keen to stress that the inspections were a preliminary step and did not automatically imply the guilt of the companies involved. Cartels are a priority target for the CNC, but it said that members of any cartel that supply evidence of its existence would qualify for an exemption or reduction in their fine. FaconAuto reported recently that car dealers in Spain had seen a 20% increase in turnover during April based on the same month in 2012, equal to €575.8m. It was the first increase in turnover in the distribution network for two months.

Russia to introduce road tolls in 2014

(Source: Automotive Logistics News, 19th June 2013) The Russian Federation will introduce road toll charges for heavy goods vehicles (HGVs) between 12 and 40 tonnes next year. Estimates by the Federal Road Agency (Rosavtodor) put the toll at around RUB 3.5 (€0.08) per kilometre when it is introduced. The date is currently set for November 2014, following a pilot project in September next year. The tolls will apply to around 48,000km of road and Rosavtodor expects the charge to generate around RUB 83bn for the state as early as 2015. The installation and operation of the system is to be carried out by a private investor as part of a public-private partnership and a tender has been issued this month. Rosavtodor is looking for the system to be fully automatic. Around 80% of vehicle deliveries in Russia are made by truck, so the automotive sector is expected to be a heavy user of the toll system. Improvements to the quality of the roads are much needed in certain regions. Speaking at last year's Automotive Logistics Russia conference Vitaly Emereev, Deputy Minister of Economic Development for the Kaluga region, noted that while road conditions between Moscow and Kaluga were acceptable, further south it was a "catastrophe". "The Soviet heritage is a real burden but we are making efforts to maintain good roads and investing in that," he said. Such investment has yet to be made in many other regions, according to Sergey Melnikov, Director of Logistics at Predpriyatiye Stroykomplekt, a parts and finished vehicle logistics service provider based in Ekaterinburg, some 600km east of Moscow. Travel beyond the main centres of production to the regions is hindered by the fact that there have been no new roads built for the last five years. It is hoped that the revenue generated from the tolls will help to build new roads and improve existing ones.

Longer semi-trailer trial stuck in wrong gear, admits UK's Department for Transport

(Source: Commercialmotor.com, 13th June 2013) The UK's Department for Transport (DfT) has conceded its pilot of longer semi-trailers has stalled due to operator apathy after a year and a half of the ten-year trial. With around six months to go until the deadline to put the 1,800-plus trailers (at 14.6 metres and 15.65 metres) on the road, approximately 500 are in operation. "Given the current rate of take-up, it is highly unlikely that the 1,800 figure will be reached by December 2013," the DfT said in a statement. While the latest DfT figures show that just over 100 of the longer semi-trailers on the road are at the 14.6 metres length, the department has refused to ditch the shorter length and has launched a consultation proposing the current 31st December deadline is scrapped instead. If accepted, the trial would continue at the 14.6 metres and 15.65 metres lengths, with no additional lengths or weights above the current 44-tonne maximum to be considered. Instead, operators would be able to apply to run longer semi-trailers on a first come, first served basis, within a few months. This time permissions would be valid only for two to three months to stop people holding onto their

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allocations without putting units onto the road. This process would continue until the 1,800 longer semi-trailers were running on UK roads. Existing allocations would be honoured up until the 31st December deadline and then become void as previously planned. Operators wishing to take part would still be limited to a maximum of 180 trailers each or the equivalent of 20% of their current semi-trailer fleet – although no one in the current trial has this amount of allocation. The new proposals contrast with the DfT's position at the beginning of 2013 when it issued a "use them, or lose them" warning to operators taking part in the pilot. The consultation will end on Tuesday 9th July.

DHL reveals vehicle launch service

(Source: Automotive Logistics News, 19th June 2013) DHL has introduced a three-stage modular process for new vehicle launches that it says covers the entire product launch cycle from prototype to marketing, and can reduce to a minimum the supply chain incidents that occur along the way. At a special DHL Automotive meeting held in Paris, France, Fathi Tlatli, DHL's President Global Sector Automotive, acknowledged that there was demand for speeding up development and production processes, as well as market entry for new vehicles. This, he said, had to be achieved through a connected and streamlined process that would benefit the carmaker by addressing the cost and complexity associated with launches. The first module in the new service supports the pre-production of model developments, such as specialised packaging of prototypes, customs clearance and secure transport. DHL also organises inbound material and in-plant logistics. Finally, in the launch phase, it handles communication, including direct mailings, as well as the confidential movement of the exhibition cars for test events and press presentations. "Product launches in the automotive sector are complex and cost-intensive," said Tlatli. "The average time from the first sketch of a car to market entry is two to three years and requires a precise synchronisation amongst several involved parties, more often not located even on the same continent," he added. Logistics providers need to be involved with the carmaker from the start as it promoted cost efficiency. However, logistics is not often represented early enough according to Tlatli. "The design of delivery up to the dealer should be totally integrated in the supply chain," he said, adding that even when a logistics provider is involved on a prototype, it can be two years before it is consulted again for pre-production, by which time it has lost touch with parts of the process. With the new service, customers can build an individualised service based on independent modules, or combine all of them in the service of full vehicle development process, ahead of full volume production. In this way they can be practical and proactive, and avoid knee-jerk reactions that can be costly in their over-compensation, according to Tlatli. "For the first time we have worked on a solution to integrate the process from prototypes to the marketing of the event," he said. "We believe we can really improve the supply chain of these launches and do it in a way that is more cost effective if the approach is integrated."

Stuttgart centre ready for Mercedes

(Source: Automotive Logistics News, 19th June 2013) Logistics property developer Gazeley has completed its facility at the G. Park near Stuttgart in Germany. The building provides more than 25,000m^2 of working space, making it one of the largest project developments in the Stuttgart industrial region. Half of that space has already been handed over to Mercedes AMG, the Daimler division that engineers, manufactures and customises high performance vehicles. AMG will use the facility for storage and distribution. "The strategic location of this site, in the attractive region of Stuttgart, has been a key factor in agreeing a deal with Mercedes-AMG," said Ingo Steves, Director at Gazeley Germany. "Getting to the building stage has been a real team effort and we have been delighted with the response from the local community towards this new facility," he said.

REST OF THE WORLD

GEFCO opens new office to drive expansion in China

(Source: Transportintelligence.com, 14th June 2013) **GEFCO** announced it is expanding its footprint in China by integrating its regional operations in South China and launching a new office in Shenzhen. GEFCO's South China regional Headquarters is based in Hong Kong. It is responsible for the direct management of branch offices including the Guangzhou office, the Hong Kong office, the newly established Shenzhen office and other new offices in the region in the future. "South China is one of the most economically vibrant regions in the country and one of the most mature markets in terms of the development of the automotive and electronic industries. The launch of a new operational presence here is an important part of our strategy to further expand in China," said Andrea Ambrogio, Managing Director of GEFCO China. "In early 2012, we established a joint-venture enterprise in Shenzhen with Minsheng Shipping, providing transport and logistics services to Chang'an PSA Automobile. Going forward, our new office will further strengthen our presence in South China and enable us to better serve our clients," he said. With the addition of its new office in Shenzhen, GEFCO China now operates across China in nine major cities, offering global logistics solutions that cover the entire supply chain, comprising a door-to-door service via air and sea freight forwarding, road and railway transportation, global sourcing and warehouse solutions, as well as inbound and outbound logistics. After maintaining solid growth in China in recent years, the company has accelerated its expansion in the country after Andrea Ambrogio took the reins of GEFCO China, in July 2012, as its new Managing Director. In addition to its geographic expansion, GEFCO China aims to boost its overland logistics offers via its recently launched dedicated department, which focuses efforts to optimise its road and railway transportation solutions in China, as well as develop its railway solutions between China, Europe and Central Asia. In the first quarter of 2013, GEFCO China saw notable turnover growth of 45% year-on-year.

Brazil omits safeguards for Ro-Ro in ports bill

(Source: Automotive Logistics News, 19th June 2013) The Brazilian government has revised the law governing new terminal investment at the country's ports this month following the announcement, last December, that it was introducing a $26m incentive programme to solve endemic problems of congestion. The previous law applying to terminal development stated that the port authority needed to safeguard the competitiveness and productivity of full container and Ro-Ro modes. However, in the most recent revision, there is no mention of cargo or vessel type. That omission is causing concern amongst Ro-Ro operators who are worried that concessions will be awarded to bulk commodities and containers at the expense of vehicles. The incentive package consists of public investment in new port infrastructure projects, including dredging work and improvements to landside access. It also includes reforms to the current legal and regulatory structure of the port industry as the government brings in more public-private partnerships. Government investment through the customs and port authorities is limited to dredging, lighting and marking, and IT. All other investments will be from those companies winning contracts to operate at private ports or winning public terminal concessions. Under the investment programme, the government is favouring tenders from the private sector that offer to move the highest volumes of cargo at the lowest rates to users. However, because container and bulk offer better returns and greater storage capacity over a given surface area compared to vehicle and high-and-heavy cargo, the fear is that tenders will favour the former. "The reason this is worrying is that without such, it is pretty much open for only the more profitable type of terminals to be demanded for tender," said Miguel Malaguerra, Operations Director of **Grimaldi** in Brazil. "We may find that all areas will become either full container or bulk terminals, both of which offer better remuneration to investors than Ro-Ro terminals, especially since the latter require large surface area and no vertical gains," he said. Malaguerra, who is also responsible commercially for the Ro-Ro sector at Grimaldi, added that without government safeguards, or guidelines, that ensure an area is set aside within the tender process for the sector, market forces could end up excluding Ro-Ro. The concern is understandable given the relatively small size of terminals across the nine ports that handle finished vehicle shipments in Brazil. Vitoria is the largest at 250,000m^2, while Santos TEV is 164,000m^2 and Santos Deicmar 74,000m^2. Suape has just 56,700m^2 to offer. The government has announced that the first port to be tendered will be Santos in October this year, one of the ports that Grimaldi uses. The TEV vehicle terminal is able to handle 290,000 vehicles a year but congestion is still an issue. Speaking at last year's Automotive Logistics South America conference in Sao Paulo, Francisco Costa, Commercial Manager of TEV at the Port of Santos, said that the terminal tried to increase productivity by working 24h a day, though that did not always make up for time lost as a result of strikes and bottlenecks. According to Malaguerra, if market forces do favour bulk and container cargo, Ro-Ro operators could be excluded from the right bank of the Port. "Can you imagine the Sao Paulo state being served by only one terminal with only one berth and 164,000m^2 of area?" he asked. Ro-Ro operators are arguing for a zoning and development plan at Santos, similar to that promised at the Port of Paranagua, which will help double vehicle storage capacity because it is allocated for general cargo, under which vehicle traffic is classified. This would complement the TEV

terminal at Santos both for imports and to support future export potential from Brazil's growing automotive base. The Brazilian government has recently launched an automotive incentive programme for technical innovation and production expansion which will run until the end of December 2017. It involves lower taxes on locally produced and imported vehicles.

PRESS RELEASES

Hödlmayr extends its network in Benelux countries

(Source: Hödlmayr International AG, 17th June 2013) With an asset deal, Hödlmayr extends its European logistics network. Due to the takeover of the Dutch Lucas Logistics Autotransport B.V., Hödlmayr strengthens its market position in combination with the existing logistics compound in Benelux.

Hödlmayr Logistics Netherlands B.V., subsidiary of **Hödlmayr International AG**, from 10th June 2013 onwards, takes over the car transport company Lucas Logistics Autotransport B.V., with 42 employees, 45 trucks and a total business volume of 90,000 transported cars per year.

With the acquisition, Hödlmayr International strengthens the market presence in the Benelux area and optimises its European Logistics Network with subsidiaries in 14 countries, including multimodal transport solutions, compounds and technical facilities for the complete range of Pre-Delivery Inspection (PDI) activities. Hödlmayr enlarges its market position, especially in combination with the modern distribution centre in Tongeren, the oldest city of Belgium.

Hödlmayr reacts to the current requested additional capacities and creates more planning security and reliability for the automotive manufacturers, distributors, fleet customers and dealers.

New Secretary General for European Automobile Manufacturers' Association

(Source: ACEA, 17th June 2013) Following the meeting of its Board of Directors on Friday 14th June, the European Automobile Manufacturers' Association (ACEA) announced the appointment of Erik Jonnaert as the Secretary General of ACEA, with effect this autumn. Mr Jonnaert will replace Ivan Hodac (67) who after 12 years at the helm of ACEA will be taking his retirement.

A Belgian national, Mr Jonnaert (55) is a graduate of Harvard Law School, who started his career with the Linklaters law firm. He subsequently joined Procter & Gamble (P&G), where he gained over 25 years of global experience in public affairs, regulatory affairs, communication and stakeholder relations. His last role was Vice-President for P&G's external relations in Asia.

Mr Jonnaert said: "It is a great honour to have been given this opportunity to represent what is one of the strategically most important industries in Europe in these challenging times."

ACEA President Sergio Marchionne, who is CEO of Fiat and Chrysler stated: "We are delighted to welcome Mr Jonnaert to the industry and to ACEA. We are confident that he will build upon the exceptional work of Mr Hodac, who has steered ACEA smoothly for many years, shaping it into one of Brussels' most respected associations."

Automobile industry leaders meet EC President Barroso

(Source: ACEA, 14th June 2013) On Friday 14th June, the heads of Europe's automobile manufacturers urged top Commission officials to foster a more supportive legislative framework for the industry. The Board of Directors of the European Automobile Manufacturers' Association (ACEA) was received by José Manuel Barroso, European Commission President, on the occasion of the association's Annual General Assembly.

The CEOs present were ACEA President Sergio Marchionne (Fiat), Norbert Reithofer (BMW), Stephen Odell (Ford of Europe), Karl-Thomas Neumann (GM Europe), Byung-Kwon Rhim (Hyundai Motor Europe), Ralf Speth (Jaguar Land Rover) and Philippe Varin (PSA Peugeot Citroën). Accompanied by ACEA Secretary General, Ivan Hodac, they made a number of calls to Barroso on behalf of the European industry:

- To legislate on the basis of facts and sound impact assessments. For instance, the proposed limit values in the on-going noise dossier often go beyond technological reality. Also the current discussions on long-term targets for CO_2 emissions are politically-motivated and taken out of global context.

- To grant sufficient lead-time. The lead-time given to the industry is too short on a number of proposals, such as eCall and noise.
- To adopt an "integrated approach" involving all relevant stakeholders. This is currently missing from some dossiers, including road safety and CO_2.
- To align trade and industrial policy. This will help strengthen Europe's manufacturing base.
- To strike a more realistic balance between the competitiveness of the industry and environmental concerns. This will help ensure that the industry retains its technological and environmental edge.

Later addressing Vice-President Tajani and other stakeholders, Mr Marchionne said: "Our sector is ready to support Europe on its 'mission growth' of boosting industry's share of GDP to 20% by 2020. But in order to be able to adapt to changing demands, we need a supportive framework. A framework that will foster our sector's competitiveness – ultimately that will stimulate growth, jobs and investment, benefiting the European economy as a whole."

European social dialogue for ports started

(Source: ESPO – European Sea Ports Organisation, 19th June 2013) Representatives of European port employers and trade union organisations were meeting in Brussels on Wednesday 19th June for the official inauguration of the Sectorial Social Dialogue Committee for the Port Sector.

The committee will act as a platform to discuss issues of European social reference for the sector. The work programme mainly focuses on health and safety matters associated with port work as well as training and qualifications. Other topics include the impact of sulphur emission rules on port employment, the attractiveness of the sector to young workers and gender issues.

The social partners are FEPORT (the Federation of European Private Port Operators) and ESPO (the European Sea Ports Organisation) on the employers' side and trade union organisations ETF (the International Transport Workers' Federation) and IDC (the International Dockworkers' Council). The participation of ESPO is limited to those countries where port authorities employ dockworkers or are otherwise involved in collective agreements between port employers and dockers' unions.

"We are pleased that the social dialogue got started and we hope to reach concrete results soon that will contribute positively to our sector," said ESPO Secretary General Patrick Verhoeven. "At the same time, we must keep expectations realistic. This committee cannot and should not replace social negotiations and collective agreements at national or local port level. It will also be extremely difficult to deal with market and competition restrictions, given the specificities of individual cases."

The European Commission announced in its recent Ports Policy Communication that it is willing to facilitate the social dialogue and respect the autonomy of social partners. The Commission however indicated that, in time, it expects the social dialogue to also deal with labour conditions, on which a comprehensive fact-finding study was recently published by the Portius institute. The Commission further intends to start a research project soon that will examine health and safety, training and qualification challenges in EU ports. Social partners will be involved in this project. An overall review of the social dialogue is planned for 2016, to assess progress made.

To read the study published by the Portius institute, please see:
http://ec.europa.eu/transport/modes/maritime/studies/maritime_en.htm

Smart tachographs: Transport and Tourism Committee of the European Parliament approves user rules

(Source: EP TRAN Committee, 18th June 2013) User rules for new "smart" digital tachographs for trucks and buses were approved by the Transport and Tourism (TRAN) Committee of the European Parliament on Tuesday 18th June 2013. These devices will use satellite tracking technology to make it easier to check and enforce driving and rest times, whilst reducing the number of roadside checks. The rules now need to be approved by Parliament as a whole and the Council of Ministers.

The next generation of tachographs will be fitted to new vehicles within three years once the necessary technical specifications are defined by the Commission. Applying equally to all trucks over 3.5 tonnes on EU roads, they will render fraud and tampering far more difficult. Within 15 years, they will have to be fitted, or retro-fitted, to all EU-registered trucks and buses.

Remote checking
Smart tachographs are designed to be much more user-friendly for both drivers and the authorities. They will enable easy downloading and even remote checking of suspect data, via wireless data transmission to control authorities who could then make targeted roadside checks. But this “remote control communication" must not lead to automatic fines or penalties for the driver or his firm, say the new rules.

Exemption for local craftsmen and small firms
Within one year, trucks of less than 7.5 tonnes will be exempted from the new rules if they carry materials, equipment or machinery for the driver’s use in the course of his work within a radius of 100km (up from the current 50km) of the firm's base, provided that driving the vehicle is not the driver’s main activity.

Applying social legislation fairly throughout the EU
To eliminate disparities among EU Member States in how social legislation is interpreted and enforced, inspectors will have to be properly trained and equipped in line with common standards to be laid down by the European Commission.

Next steps
The draft regulation, which has already been agreed with the Council Presidency at the second reading, must now be endorsed by Parliaments’ plenary and the Council of Ministers to enter into force one day after publication in the EU Official Journal.

Anti-trust: Commission confirms inspections in the sector of cargo train transport services

(Source: European Commission, 19th June 2013) The European Commission confirms that on Tuesday 18th June 2013, Commission officials carried out unannounced inspections at the premises of several companies active in the sector of cargo train transport services to South Eastern Europe. Inspections took place in several EU Member States. The Commission has reasons to believe that the companies concerned may have violated Article 101 of the TFEU, which prohibits anti-competitive practices such as price fixing and customer allocation.

The Commission officials were accompanied by their counterparts from the relevant national competition authorities. The inspections relate to the provision of cargo transport services by operators of block trains who also operate as shipping agents. Block trains bundle cargo on one or more trailers from different origins into a single train at certain loading hubs and take this cargo directly to certain unloading hubs, where they are again split up for transport to the final destination.

Surprise inspections are a preliminary step in investigations into suspected cartels. The fact that the European Commission carries out such inspections does not mean that the companies are guilty of anti-competitive behaviour; nor does it prejudge the outcome of the investigation itself. The European Commission respects the rights of defence, in particular the right of companies to be heard in anti-trust proceedings.

The Commission does not make public the names of the companies inspected at this stage. There is no strict deadline to complete cartel inquiries. Their duration depends on a number of factors, including the complexity of each case, the extent to which the undertakings concerned co-operate and the exercise of the rights of defence.

IRU Indices: Jordan on the road to success

(Source: IRU – International Road Transport Union, 13th June 2013) IRU Road Transport Indices, an online data source allowing the comparison of GDP growth, road freight transport volumes and new vehicle registrations in 62 countries – now including quarterly forecasts for four additional countries in the Middle East, namely Jordan, Lebanon, Saudi Arabia and United Arab Emirates – show that countries in the Middle East are on the right track, but also that more needs to be done to facilitate trade and international road transport, specifically by implementing key UN multilateral trade, road transport facilitation and security instruments, such as the Harmonisation and TIR Conventions.

IRU Head of Sustainable Development Jens Hügel said: “On the occasion of the 7th IRU Euro-Asian Road Transport conference in Amman, Jordan, from 11th to 12th June 2013, the IRU has included four additional Middle East countries in the IRU Indices. From the analysis of these country figures it is clear that, although regional trends and political developments have an important influence on the figures, the general trend in Middle East countries follows the development of BRIC countries.”

In Jordan, for example, GDP rose by 3.2% and road transport operators carried 4.4% more volume (in tonnes) in 2012. Furthermore, GDP will increase again by 3.3% and road transport operators will carry 3.6% more tonnage in 2013.

Similarly, IRU Indices show that GDP in booming economies of BRIC countries – Brazil, Russia, India, China – rose by 5.3% and road transport operators carried 6.2% more volume (in tonnes) in 2012. Furthermore, GDP will increase by 5.9% and road transport operators will carry 6.7% more tonnage in 2013.

Contrary to this positive trend, IRU Indices for the EU – where road transport performance in tonnes transported stagnates since 2012 – show that the GDP has contracted again (double dip recession) by 0.3% in 2012 and that in 2013 economic growth is currently stagnating, thereby confirming the indisputable correlation between road transport and economic growth.

Mr Hügel concluded: "In today's globalised economy, professional road transport is no longer merely a mode of transport, but has become a vital production tool in every supply and logistics chain, driving economic, social and environmental progress throughout the world. To allow countries in the Middle East to further catch up with the development in BRIC countries it will be imperative to effectively facilitate international road transport in the region by implementing tried and tested multilateral trade and road transport facilitation instruments such as the UN Harmonisation and TIR Conventions."

To access the IRU Road Transport Indices, please click on the following link:
http://www.iru.org/en_services_indices_index.